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12-3-2021

A New Approach to Transportation Pricing: Lessons from the POEM Project

Shoshana Cohen

Portland (Or.). Bureau of Transportation

Emma Sagor

Portland (Or.). Bureau of Transportation

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Recommended Citation

Cohen, Shoshana and Sagor, Emma, "A New Approach to Transportation Pricing: Lessons from the POEM Project" (2021). *PSU Transportation Seminars*. 216.

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A new approach to transportation pricing:

Lessons from the Pricing Options for Equitable Mobility (POEM) Project





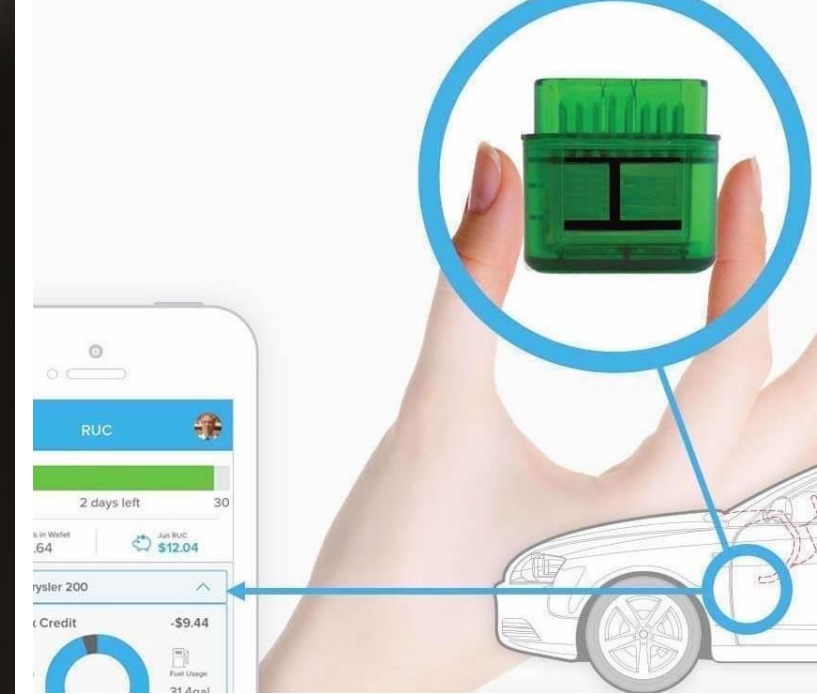
Presentation outline

- What is "pricing"?
- Why are we looking closely at pricing now?
- What was the POEM Task Force, and how did they analyze different types of pricing?
- What recommendations came out of the Task Force process?
- What's next?



What is "Pricing"?

- Charges for driving or using roadway space
- Helps people consider the "value" of that space and impacts of driving
- Prices can vary based on many factors





Why now?

- Carbon emissions rising
- Fatalities and serious injuries rising
- Driving trips and congestion rising
 - Lost time
 - Economic costs



43%

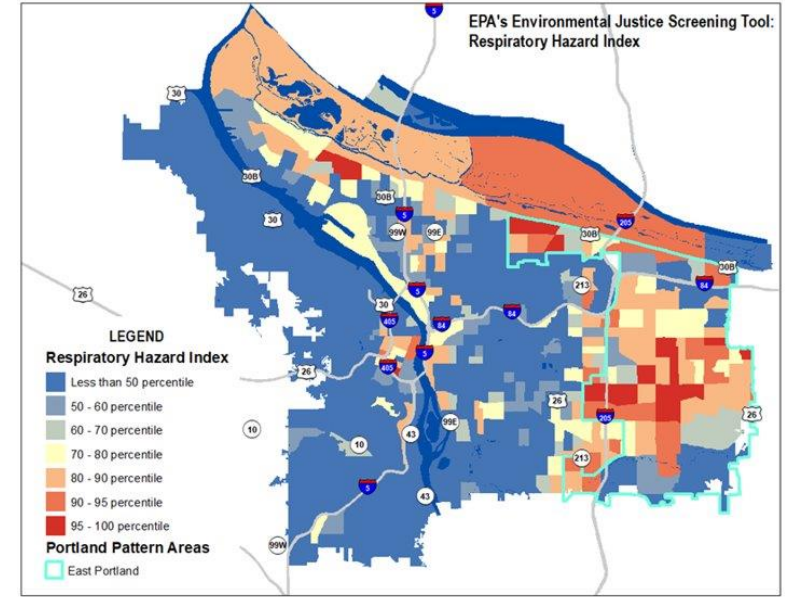
of Portland area
carbon emissions
come from
transportation



Why now?

Inequitable status quo:

- Safety
- Mobility options
- Infrastructure condition
- Health
- Access to places and services
- Economic opportunity





**GOLDEN
TRANSPORTATION WALLET**
Low Income transit fare
FREE

The Golden Transportation Wallet comes with this package.

← Includes additional discounts with these companies!



Eligibility based on TriMet's Fare Assistance Program (less than double the federal poverty level)



We need new tools



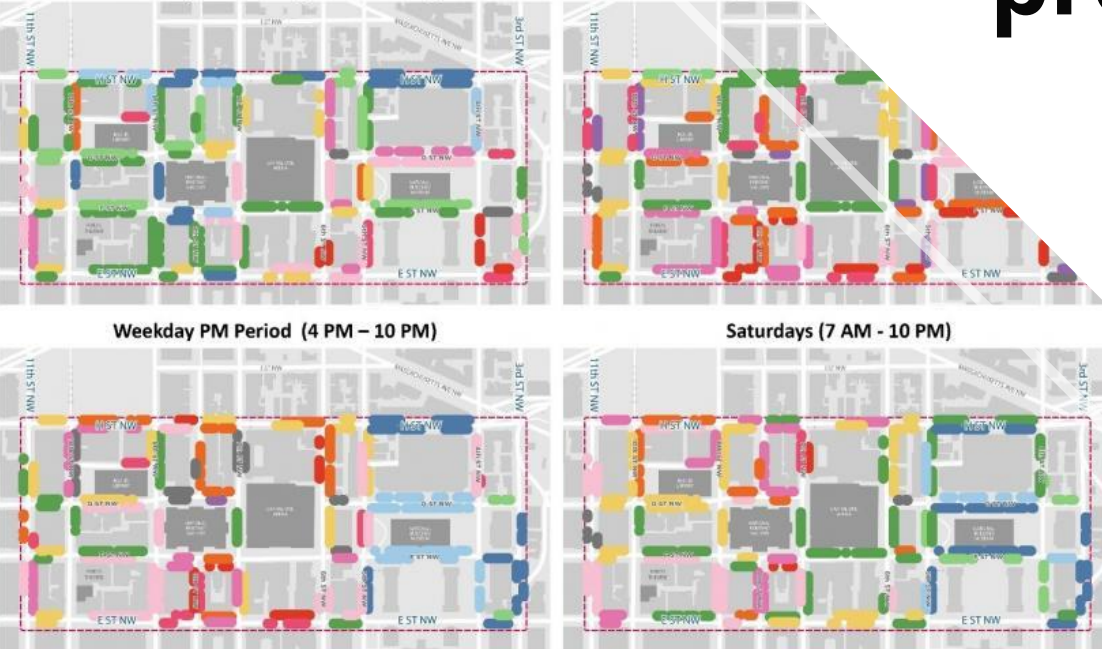
Pricing is a proven tool

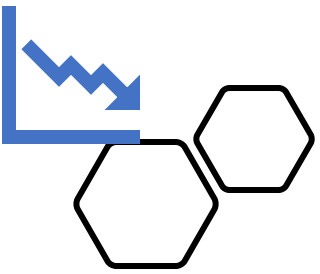
Weekday AM Period (7 AM – 11 AM)

Weekday Mid-L

Weekday PM Period (4 PM – 10 PM)

Saturdays (7 AM - 10 PM)





Broader context: A broken transportation funding system

- Decreasing and unsustainable revenues
- Regressive funding sources
- Increasing competition for our roads
- System costs are rising, but ability to cover them is falling



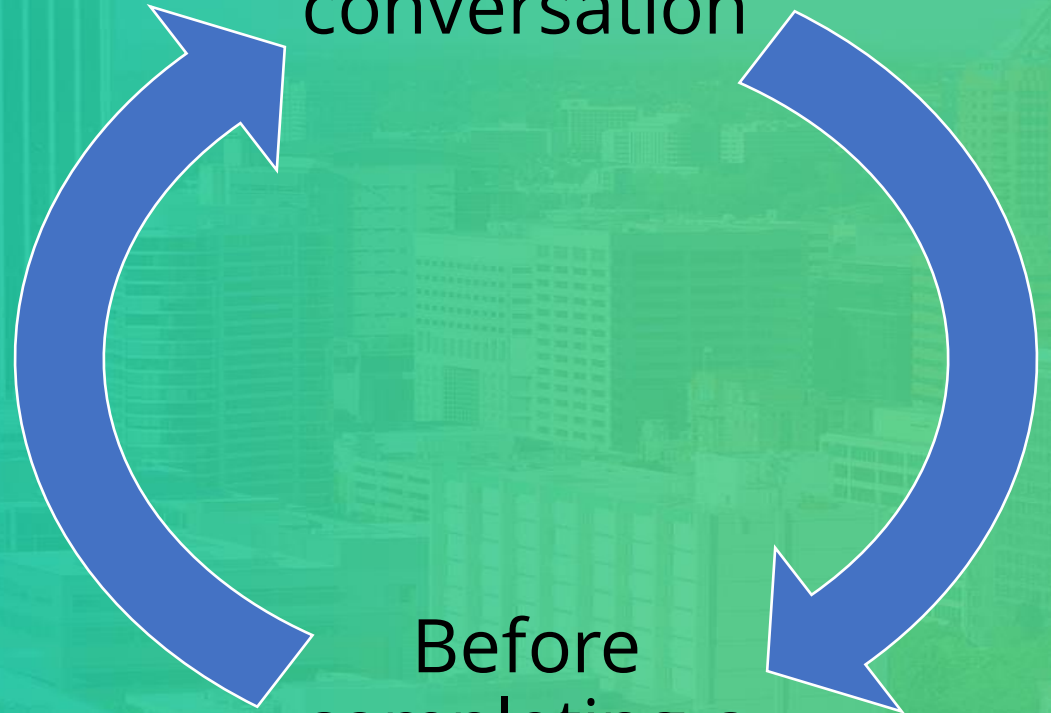
But can pricing be an equitable tool?



Flip the script



Start with a community conversation



Before completing a technical study





Direction from Council

- Convene a community task force
- Focus on equity

Could we use new pricing strategies in Portland to improve mobility, address the climate crisis and move toward a more equitable transportation system?



Moving to Our Future:
*Pricing Options for **Equitable Mobility***

PBOT
 PORTLAND BUREAU OF TRANSPORTATION



PRICING OPTIONS FOR EQUITABLE MOBILITY

FINAL REPORT



CITY OF PORTLAND
PORTLAND BUREAU OF TRANSPORTATION
PORTLAND BUREAU OF PLANNING AND SUSTAINABILITY



PBOT
PORTLAND BUREAU OF TRANSPORTATION

The Task Force process

- ✓ Met for 18 months (Jan. 2020-July 2021)
- ✓ Learned about the history of transportation in our region
- ✓ Created an Equitable Mobility Framework to help analyze pricing strategies and consider if they could make the system more equitable
- ✓ Analyzed 5 types of pricing
- ✓ Received presentations from international experts
- ✓ Reviewed technical modeling information
- ✓ Voted on recommendations

Defining Equitable Mobility



WORKING DRAFT EQUITABLE MOBILITY FRAMEWORK

WE CARE ABOUT



Moving People
& Goods

Indicators: EFFICIENCY, TRANSPORTATION AFFORDABILITY, CONNECTIVITY, AVAILABILITY, RELIABILITY, ACCESSIBILITY, QUALITY



Sustainability
& Health

Indicators: CLIMATE IMPACT, AIR QUALITY, HEALTH IMPACT



Safety

Indicators: TRAFFIC SAFETY, PERSONAL SAFETY



Economic
Opportunity

Indicators: JOB CREATION, WORKING CONDITIONS, CONNECTED THRIVING LOCAL ECONOMY



Equitable
Transportation
Planning Process

Indicators: INCLUSIVE ENGAGEMENT AND OUTREACH, ACCOUNTABILITY AND EVALUATION



5 types of pricing explored through POEM



Prices on parking



Prices on vehicle-based commercial services (e.g., private for-hire trips and urban delivery)



Highway tolling



Cordons or area pricing



Road usage or per-mile charges

MORE REGIONAL COORDINATION REQUIRED



Highway tolling



Road usage or per-mile charges



Cordon or area pricing



Prices on vehicle commercial services



Parking (less dynamic)



Parking (more dynamic)

USE EXISTING TECHNOLOGY/
LESS COMPLEX

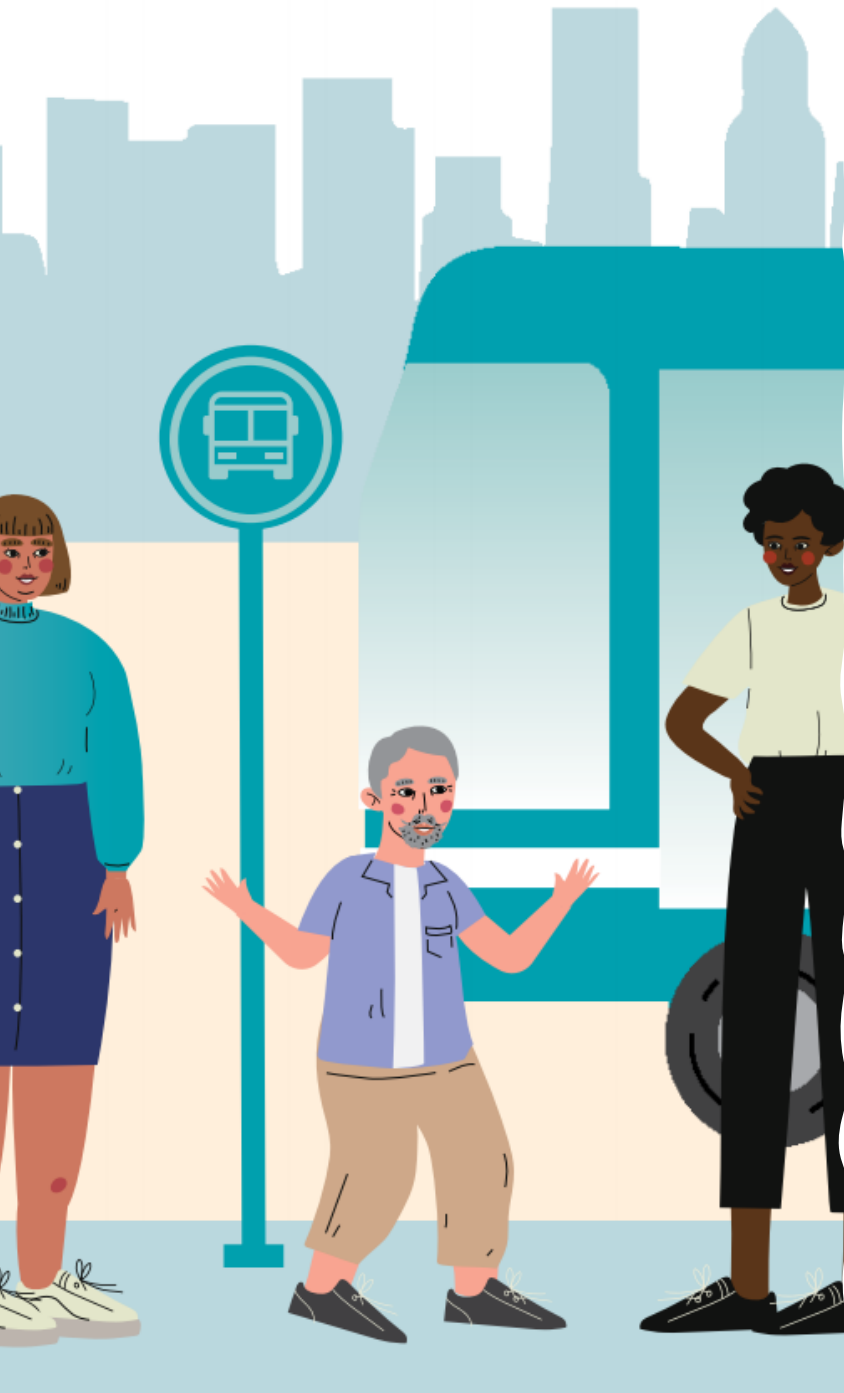
REQUIRES NEW TECHNOLOGY/
MORE COMPLEX

LESS REGIONAL COORDINATION REQUIRED; CITY COULD IMPLEMENT



DreGO
What does "pricing" mean?

Task Force adopted Recommendations



Principles for Pricing for Equitable Mobility

Pricing holds promise, but only if designed, implemented, & adjusted with intention

The City should:

- Urgently advance pricing options for equitable mobility policies
- Utilize the Equitable Mobility framework
- Not advance pricing alone
- Do deeper community engagement
- Design according to equitable mobility guidelines

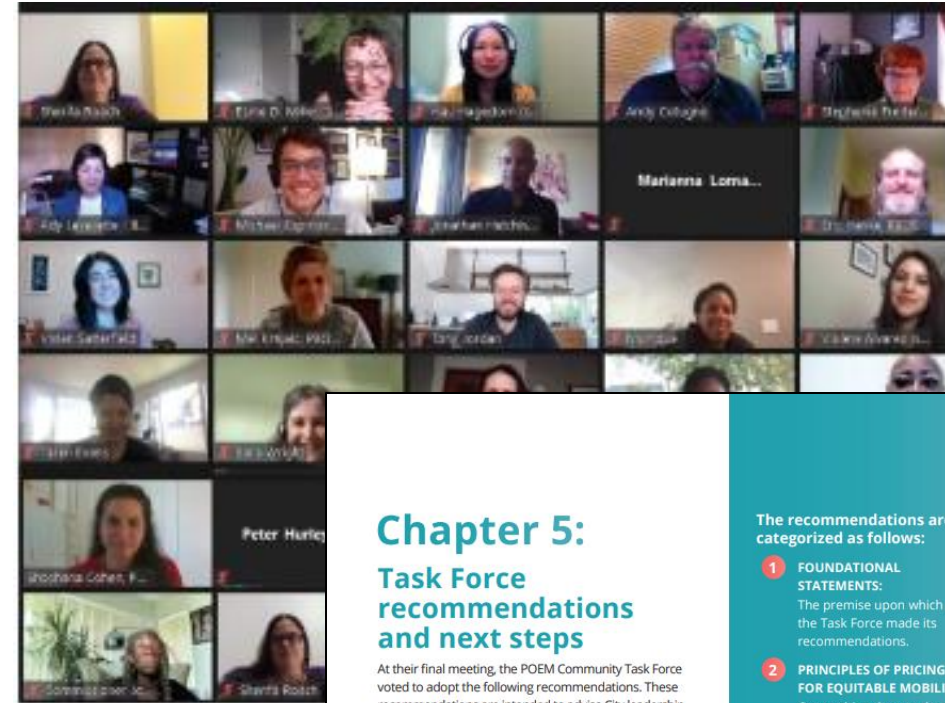
Principles, ctd.: Design guidelines

- Prioritize reducing miles driven and center climate & equity outcomes
- Provide exemptions for households living on low-incomes
- Reduce unequal burdens of technology and enforcement
- Reinvest revenue generated into equitable mobility strategies



Recommendations related to:

- Nearer-term pricing strategies, including:
 - Commuter benefits
 - TNC/urban delivery fees
 - Public & private parking fees
 - Advocate for equitable mobility design in tolling
- Longer-term pricing strategies, including:
 - Dynamic parking
 - Vehicle miles travelled fees
 - Central City cordon
- Complementary strategies, including:
 - Transit
 - Bike and ped infrastructure and programs
 - Safety improvements
 - Incentives and financial support
 - Electric vehicle transition
 - Affordable housing & land use



Chapter 5: Task Force recommendations and next steps

At their final meeting, the POEM Community Task Force voted to adopt the following recommendations. These recommendations are intended to advise City leadership as they consider if and how to move forward with new pricing strategies to advance climate, equity and mobility goals ("equitable mobility"). A majority of members had to approve of a recommendation for it to advance.

At least 16 out of 19 (84%) of Task Force members voted to approve every recommendation. While there was significant consensus around the recommendations that follow, some Task Force members who voted no expressed concerns around potential community and business impacts. A complete record of the vote totals, including more details about the rationale for any no votes, is available on the [POEM website](#).



The recommendations are categorized as follows:

- 1 FOUNDATIONAL STATEMENTS:**
The premise upon which the Task Force made its recommendations.
- 2 PRINCIPLES OF PRICING FOR EQUITABLE MOBILITY:**
Overarching themes that should be applied to all future pricing policy analysis and development.
- 3 NEARER-TERM PRICING RECOMMENDATIONS:**
Specific strategies the City should pursue as quickly as possible.
- 4 LONGER-TERM PRICING RECOMMENDATIONS:**
Strategies the City should continue exploring but may take longer to develop and implement.
- 5 COMPLEMENTARY STRATEGIES TO ADVANCE ALONGSIDE PRICING:**
Policy areas that are most vital to invest in in parallel with pricing.
- 6 IMPLEMENTATION NEXT STEPS:**
Recommendations around how the City should proceed with further policy work and public engagement on pricing.

Implementation next steps

- City should take a leadership role
- Regular data collection and surveying
- Study near and longer-term mobility impacts of Covid-19
- Conduct wider community engagement and coalition building
- Explore models for a unified financial assistance system





Council resolution on October 13th: Directed next steps

- Develop more specific policy proposals
- Additional stakeholder outreach
- Consider how to advance strategies that both advance policy goals and help with revenue needs
- Return to council within 9 months

Thank you!