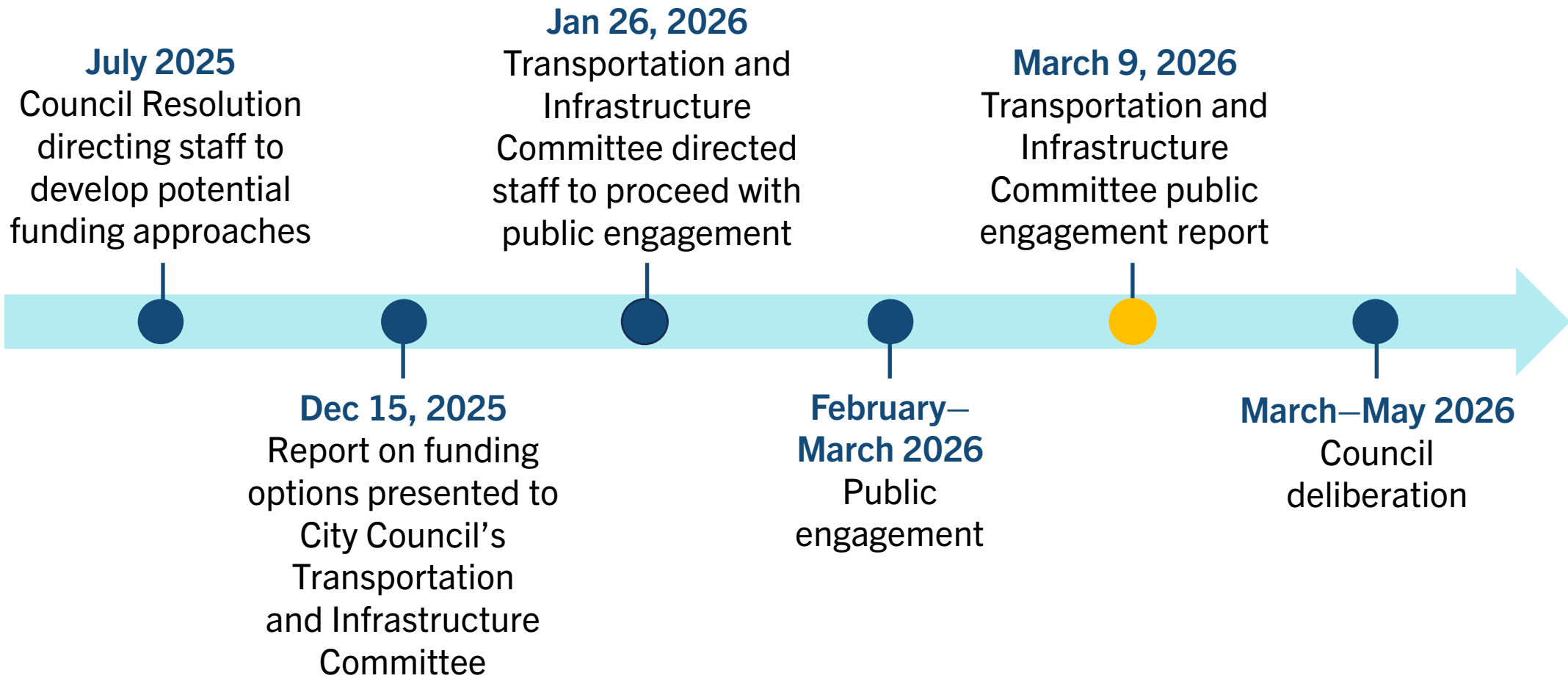
Alternative Transportation Funding Phase 2: Public Engagement Report

Transportation and Infrastructure Committee Meeting – March 9, 2026

PBOT
PORTLAND BUREAU OF TRANSPORTATION

Timeline


July 2025
Council Resolution directing staff to develop potential funding approaches
Dec 15, 2025
Report on funding options presented to City Council's Transportation and Infrastructure Committee
Jan 26, 2026
Transportation and Infrastructure Committee directed staff to proceed with public engagement
February–March 2026
Public engagement
March 9, 2026
Transportation and Infrastructure Committee public engagement report
March–May 2026
Council deliberation

Agenda

- Feedback from public engagement activities
  - District open houses
  - Online open house
  - Outreach to organizations and committees
- Summary of feedback
- Committee Discussion

Acknowledgements, Context

- **Executive Project Team**
  - **Priya Dhanapal (Lead), DCA, Public Works Service Area**
  - **Jonas Biery (Lead), Chief Financial Officer**
  - Millicent Williams, Director, PBOT
  - Shoshana Cohen, Chief of Staff, PBOT
  - Mark Lear, Policy, Resources & Partnerships Manager, PBOT
  - Jeramy Patton, Finance & Administration Deputy Director, PBOT
  - Thomas Lannom, Director, Revenue Division

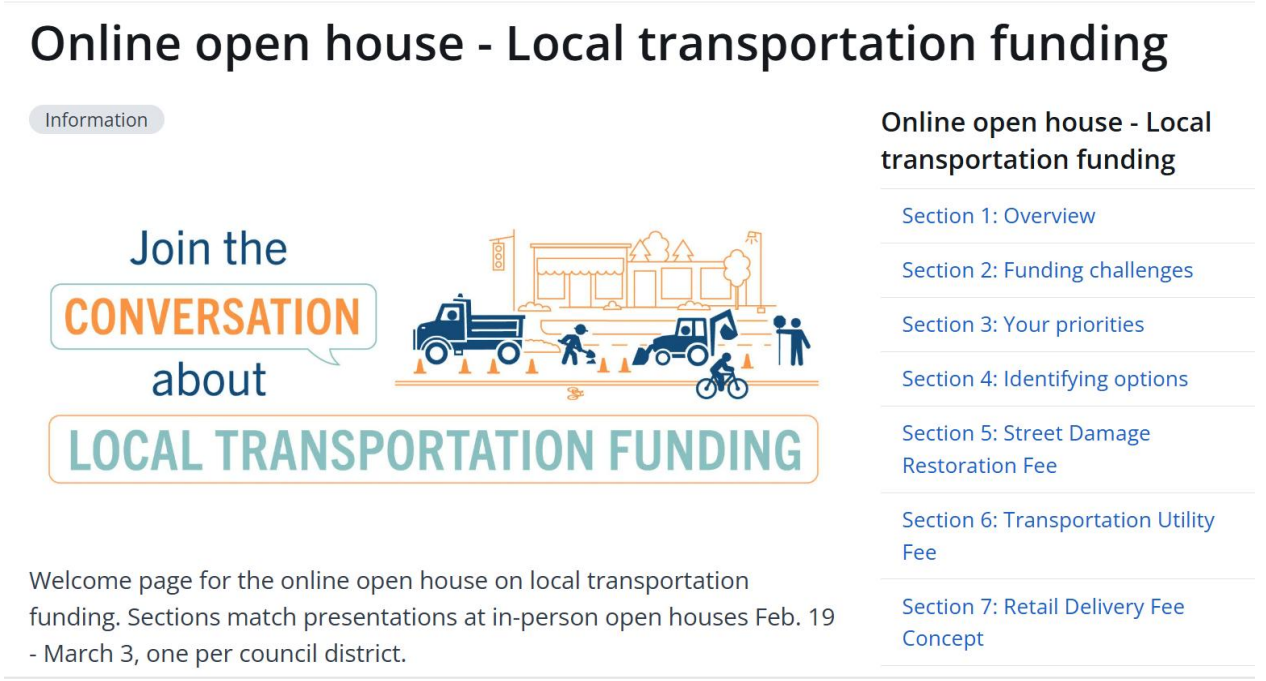
- **Project Core Team**
  - Mark Lear, Shoshana Cohen, Cynthia Castro, Sara Wright, John Roble, Thomas Lannom, Peter Hulseman, Matthew Gierach, Don Jones

- **Project Subgroups, Outreach, Communications**
  - Jacob Sherman, Russ Brooks, Henry Miller, Josh Lynch, Katie Root, Hannah Schafer, Brady Lovell, Stacy Brewster, Maria Hernandez-Segoviano, Lisa Strader

District Open Houses and Online Survey

From February 19 to March 3, PBOT hosted an open house in all four Council Districts and an online open house. Participants provided feedback on funding tools, investment priorities, and accountability measures.

Photo of Mayor Wilson speaking to District 4 Open House attendees.



254

Open House Attendees (signed in)

District 1 = 42
District 2 = 70
District 3 = 78
District 4 = 64

Online Survey Participation

Answer Choices	Percentage	Responses
District 1	10.27%	49
District 2	24.74%	118
District 3	31.66%	151
District 4	27.88%	133
None of the above	5.45%	26
Total		**477**

Organizations/Committees Outreach

Fixing Our Streets Oversight Committee

Modal Committees

- Freight Advisory Committee
- Bicycle Advisory Committee
- Pedestrian Advisory Committee

District Land Use and Transportation Committees

- District 1 LUTC
- District 2 Coalition (NECN)
- District 3 LUTC
- District 4 LUTC

Labor Unions:

- PROTEC 17, AFSCME 189, LiUNA, CPPW, NW Oregon Labor Council

Neighborhood Associations:

- Pearl District
- Sellwood-Moreland Improvement League (SMILE)

Meetings with organizations:

- Division Midway Alliance
- Food delivery industry representatives
- Latino Network
- Metropolitan Alliance of Workforce Equity (MAWE)
- Portland Metro Chamber
- Retail delivery industry representatives
- Verde

Shared info, scheduling meetings:

- Albina Vision Trust
- Better Portland
- Coalition of Communities of Color
- Disability Rights Oregon
- Hacienda CDC
- Oregon Walks
- Rosewood Initiative
- Street Trust

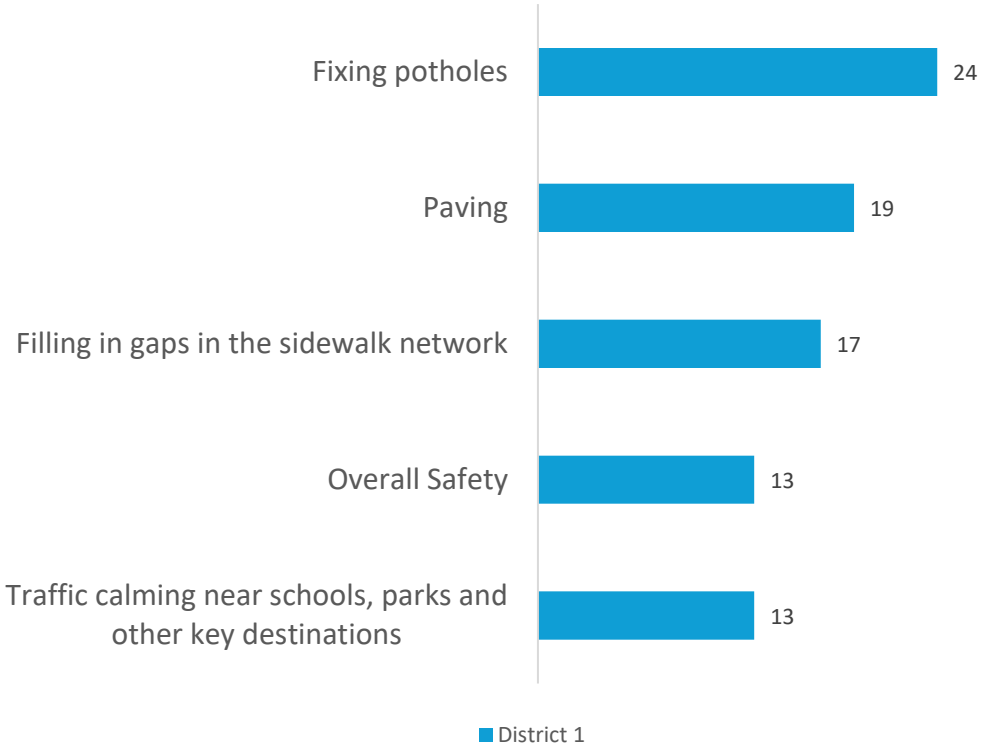
Feedback

What is most important to you? (Pick up to 5)

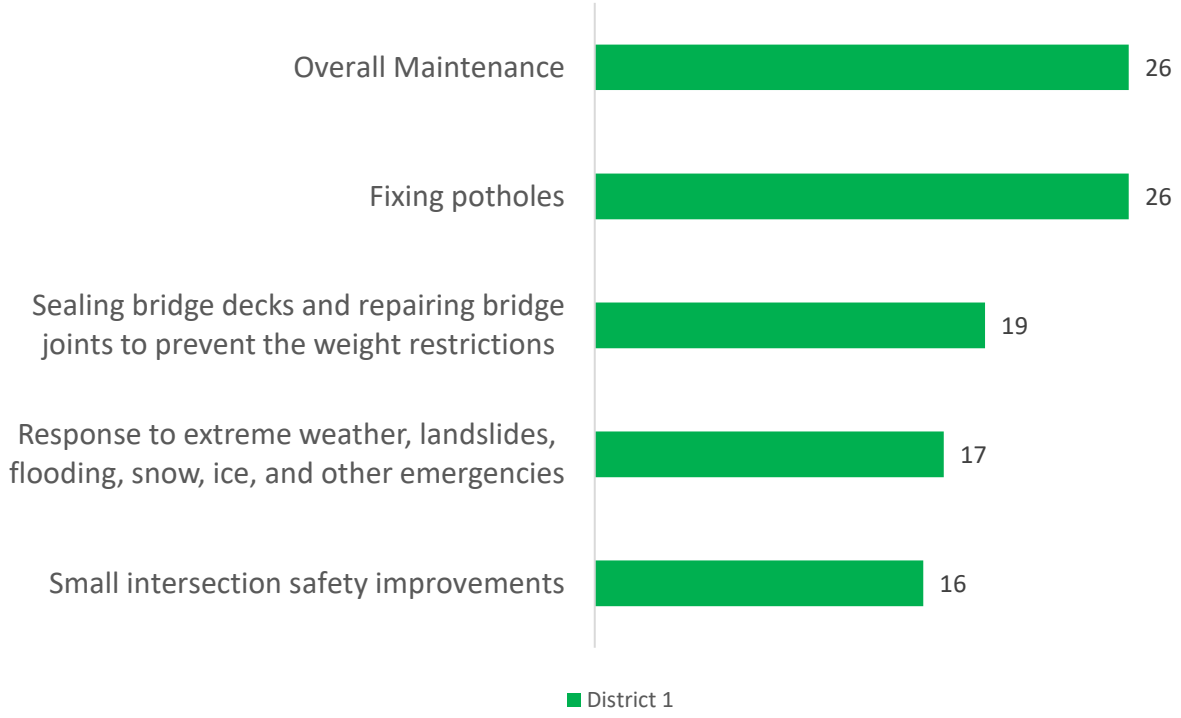
- Overall Maintenance
- Overall Safety
- Overall Citywide Services in the Right-Of-Way
- Paving
- Fixing Potholes
- Maintaining or replacing older traffic signals, streetlights, and crosswalks
- Sealing bridge decks and repairing bridge joints to prevent weight restrictions
- Small intersection safety improvements
- Traffic calming near schools, parks, and other key destinations
- Small improvements to bike lanes
- Filling gaps in the sidewalk network
- Graffiti cleanup
- Vegetation management in the right-of-way
- Street sweeping and leaf pickup
- Response to extreme weather, landslides, flooding, snow, ice, and other emergencies
- Support for community events and community use of the right-of-way like plazas and parades

District 1: What is most important to you?

District 1 Top 5 Priorities (Open House)

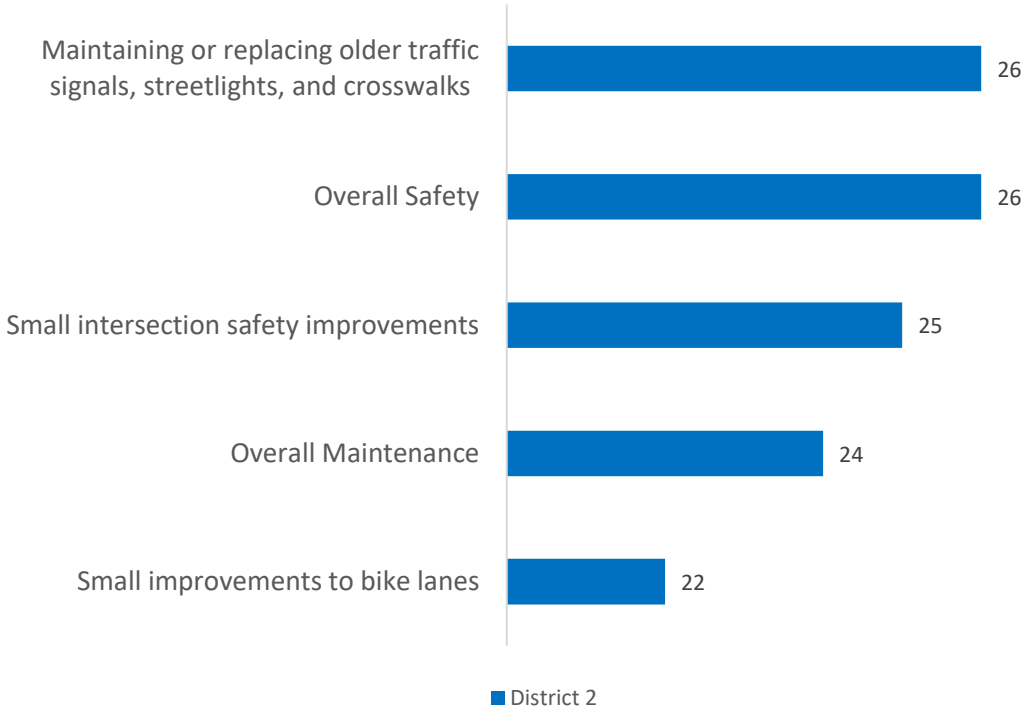


District 1 Top 5 Priorities (Online Survey)

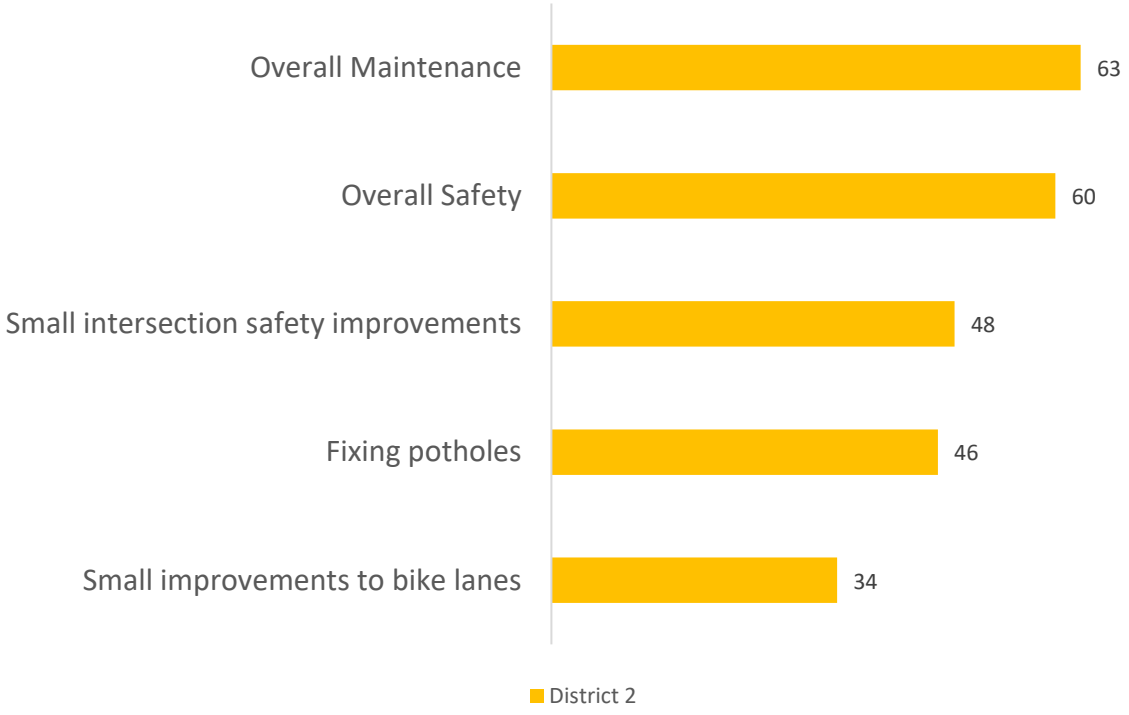


District 2: What is most important to you?

District 2 Top 5 Priorities (Open House)

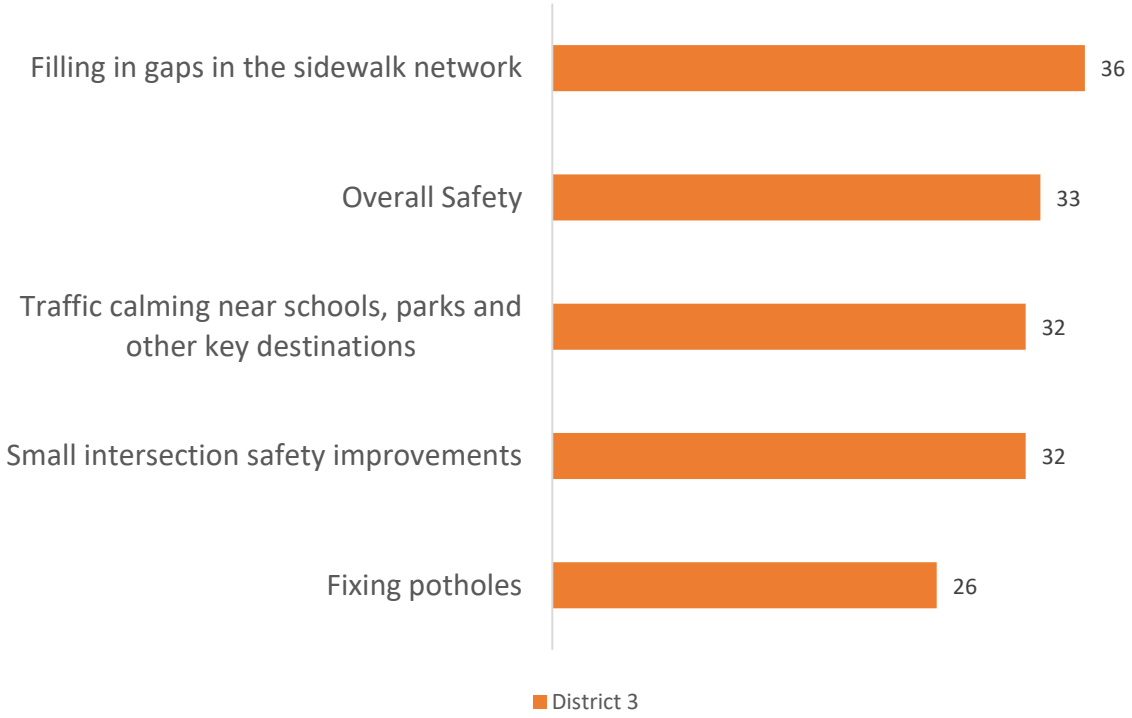


District 2 Top 5 Priorities (Online Survey)

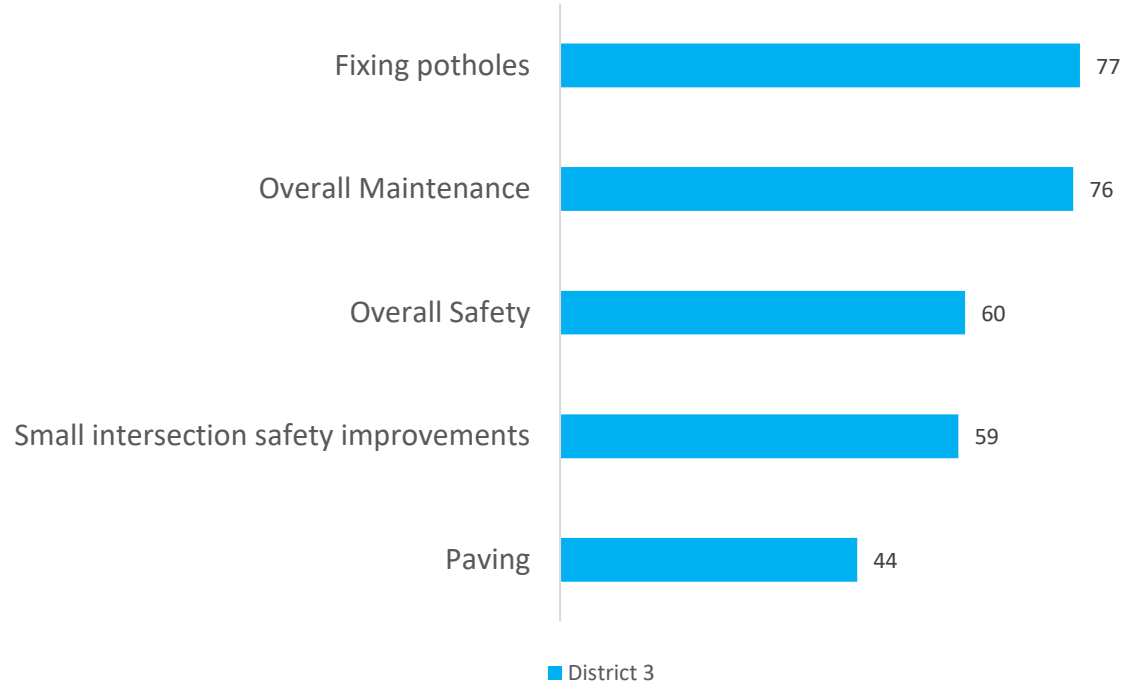


District 3: What is most important to you?

District 3 Top 5 Priorities (Open House)

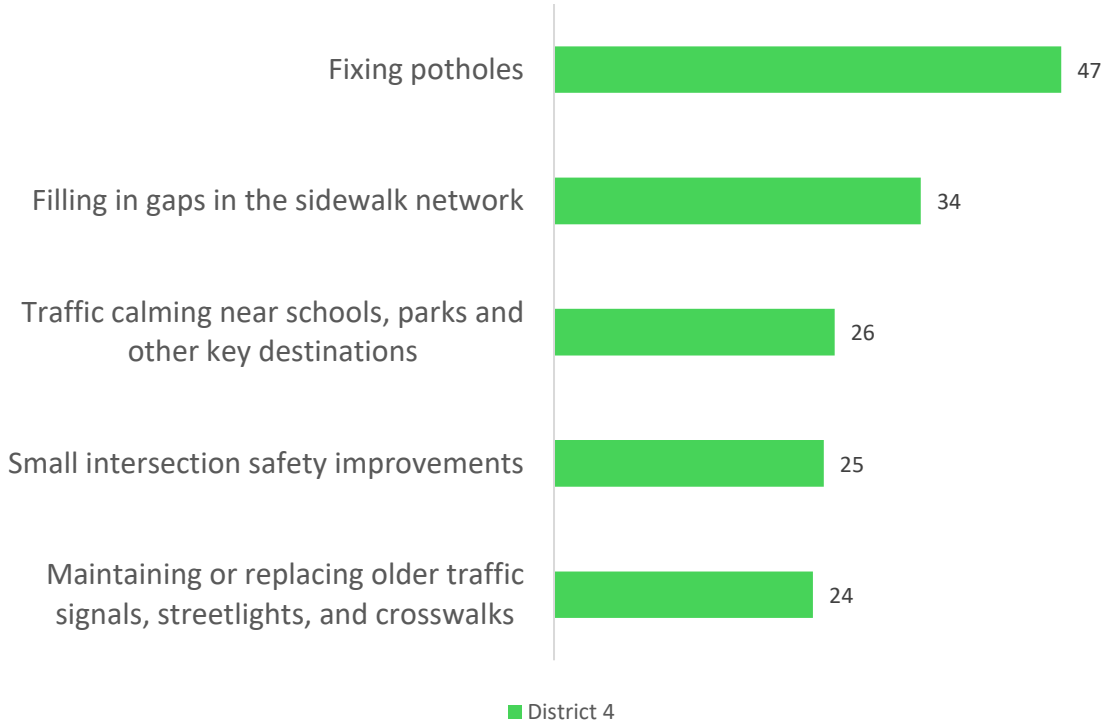


District 3 Top 5 Priorities (Online Survey)

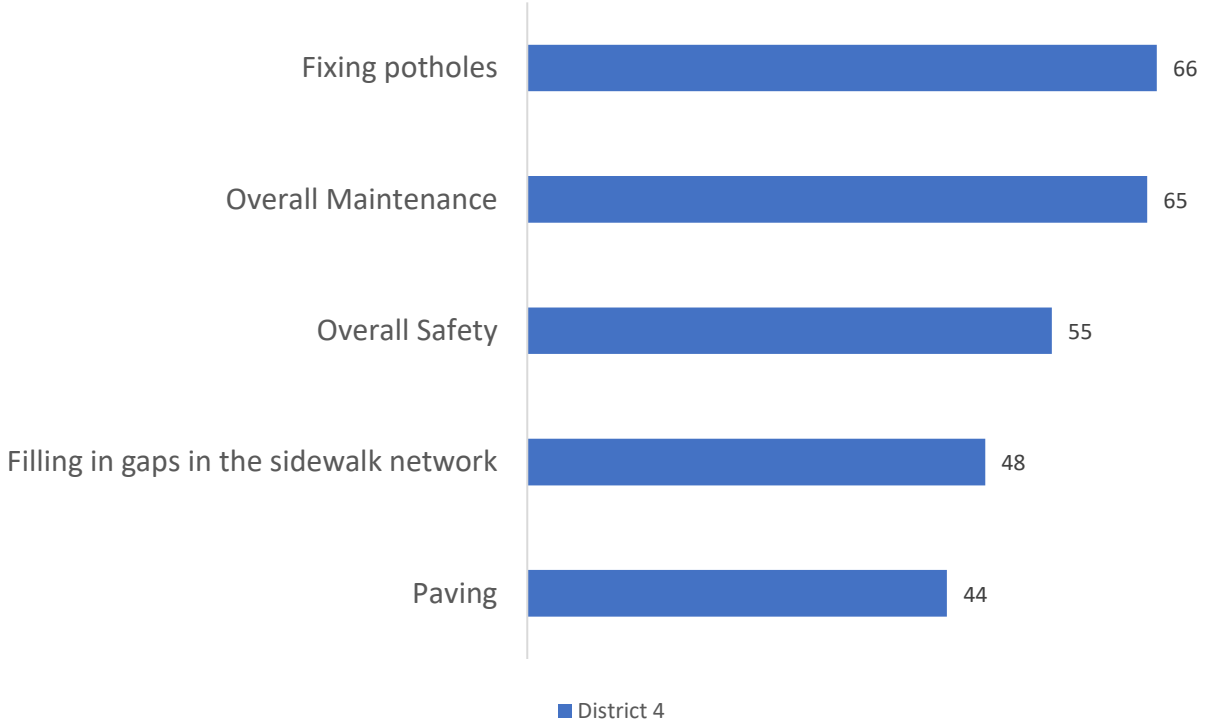


District 4: What is most important to you?

District 4 Top 5 Priorities (Open House)

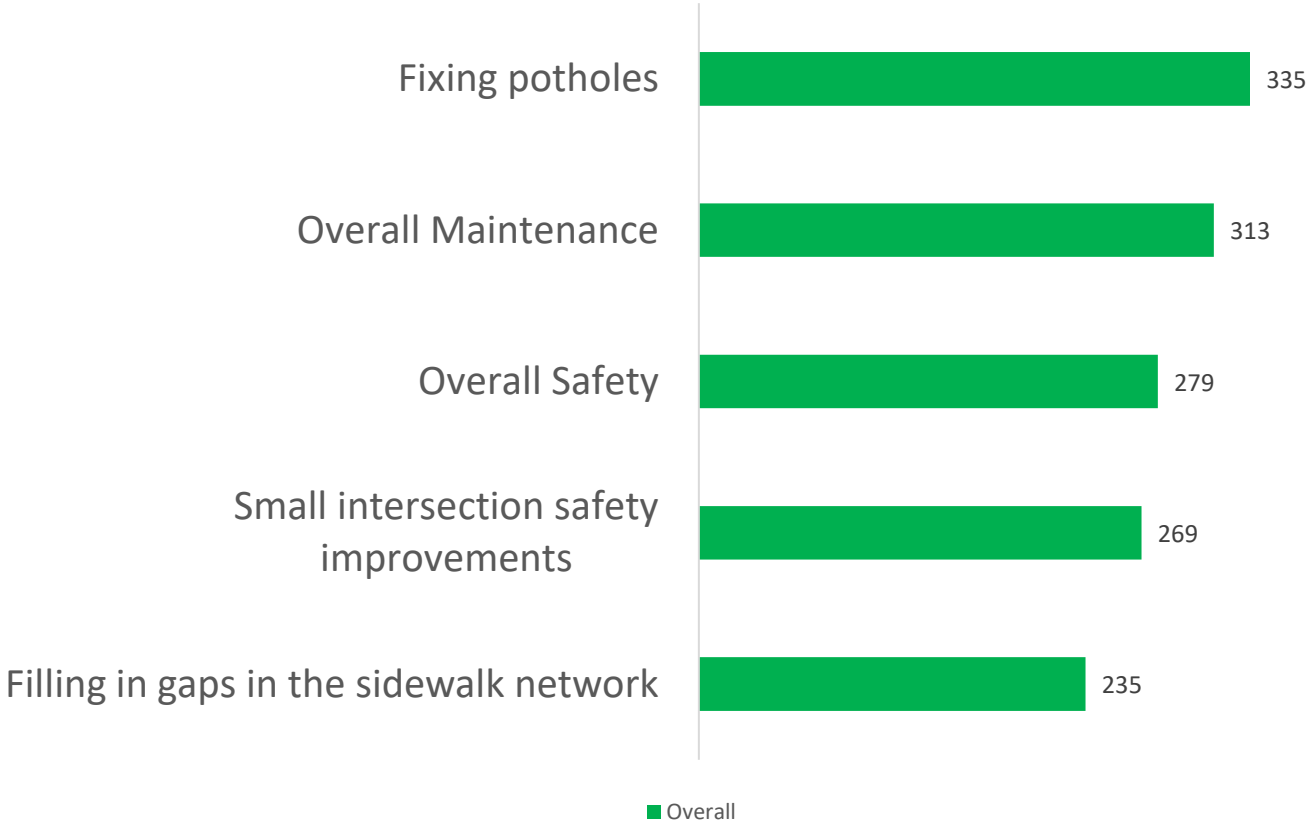


District 4 Top 5 Priorities (Online Survey)



All: What is most important to you?

Top 5 Priorities - All District Open Houses and Online Survey Results



Are there any other priorities we are missing? Any other comments?

- Wide variety of topics including:
  - Daylighting intersections
  - Pedestrian lighting
  - Trails
  - Sidewalk repair
  - Use volunteer labor

Street Damage Restoration Fee (SDRF)

What is it?

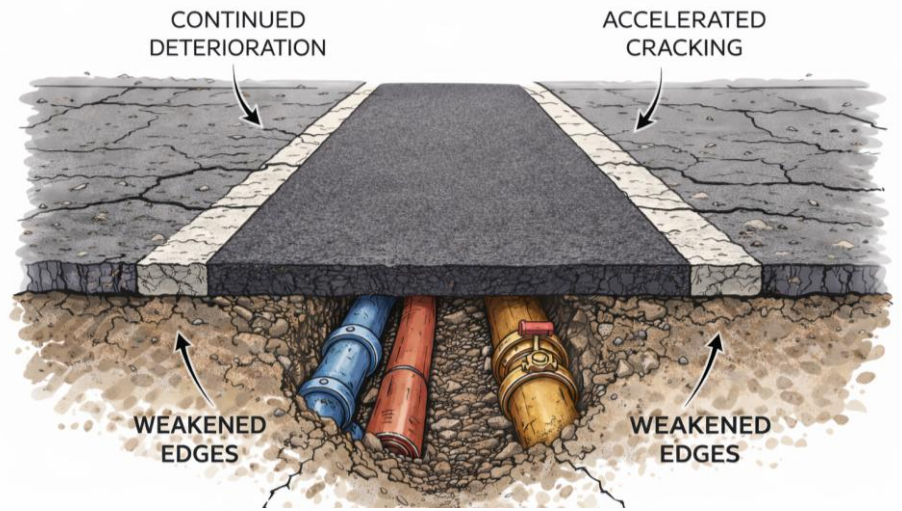
- **A loss of asset life fee assessed on utility companies, contractors, or other entities that excavate in public rights-of-way.**
- Over the last 3 years, over 50 miles of trenching (1,400 blocks)
- Reduce useful life by over 60% - need to repave in 5 yrs vs 15 yrs
- Other cities, like Los Angeles, have implemented SDRFs

How does it work?

- Could modify the existing permit structure for Street Opening Permits to include an SDRF
- Utilities request Street Opening Permits to install, repair, or maintain underground infrastructure like water, sewer, gas, electrical, telecom operations, etc.

What are the benefits?

- Recover loss of asset life costs (e.g., pavement deterioration)
- Incentivize utilities to better coordinate cuts with scheduled street work, reducing disruption to the transportation system



Restored trench opening on N Fowler, North of Lombard

Street Damage Restoration Fee scenarios compared to other city averages

City / Scenario	Average Square Foot Rate
Scenario A: 25% Damage Recovery	$3.46 per SF
Scenario B: 50% Damage Recovery	$6.92 per SF
Seattle, WA	**$7 per SF**
Oakland, CA	**$7.50 per SF**
Scenario C: 75% Damage Recovery	$10.38 per SF
San Diego, CA	**$12.50 per SF**
Los Angeles, CA	**$15.50 per SF**
San Francisco, CA	**$22.50 per SF**

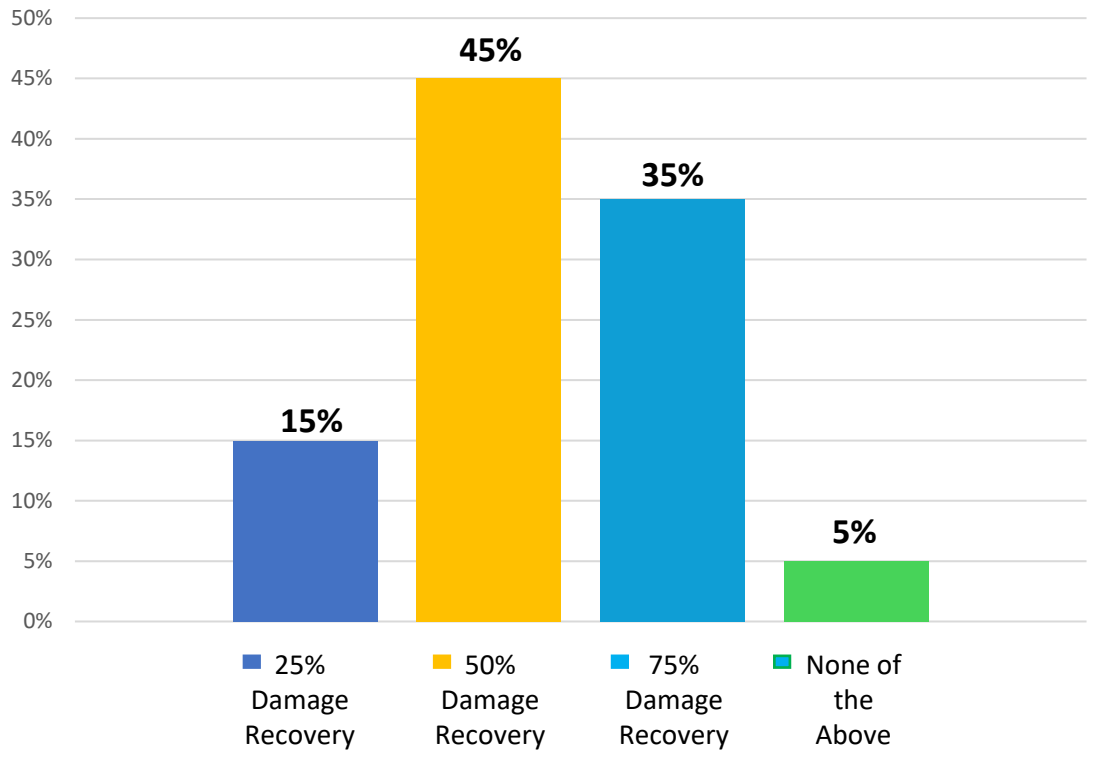
Street Damage Restoration Fee Scenarios

	25% Damage Recovery	50% Damage Recovery	75% Damage Recovery
Anticipated permits	3,500	3,500	3,500
Cost per square foot	$3.46	$6.92	$10.38
Average permit cost	$2,114	$4,228	$6,342
Estimated net revenue	**$7,399,210**	**$14,798,420**	**$22,197,630**

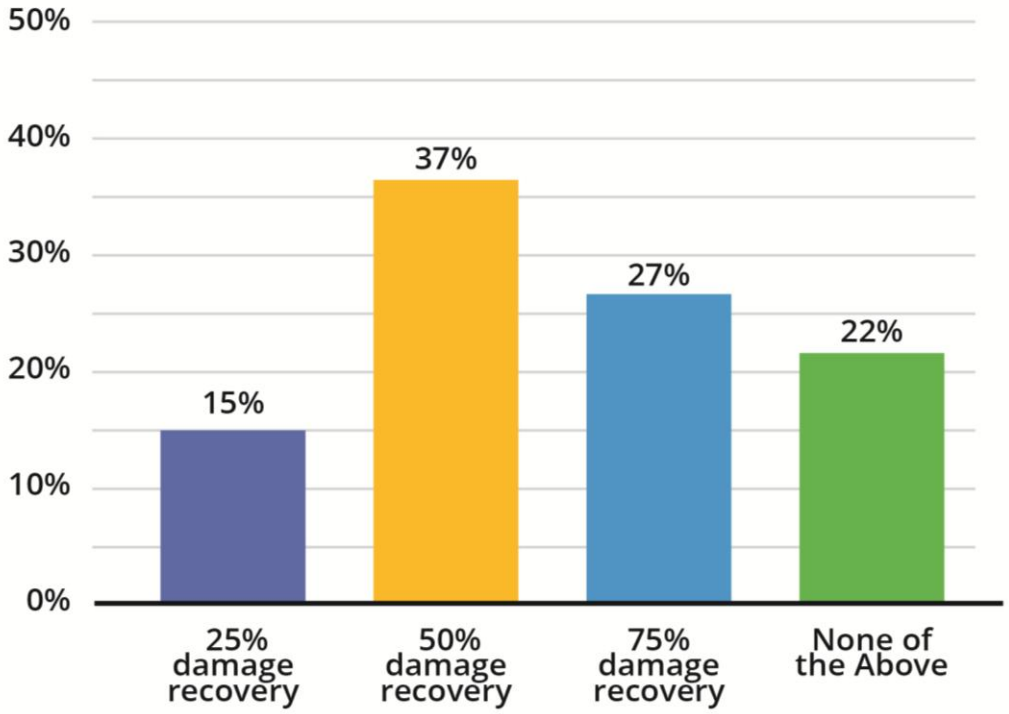
PBOT currently only charges a permit fee to cover administrative costs.
Minimum trenching fees start at $722 per permit.

District 1: Which Street Damage Restoration Fee scenario do you prefer?

District 1 (Open House)

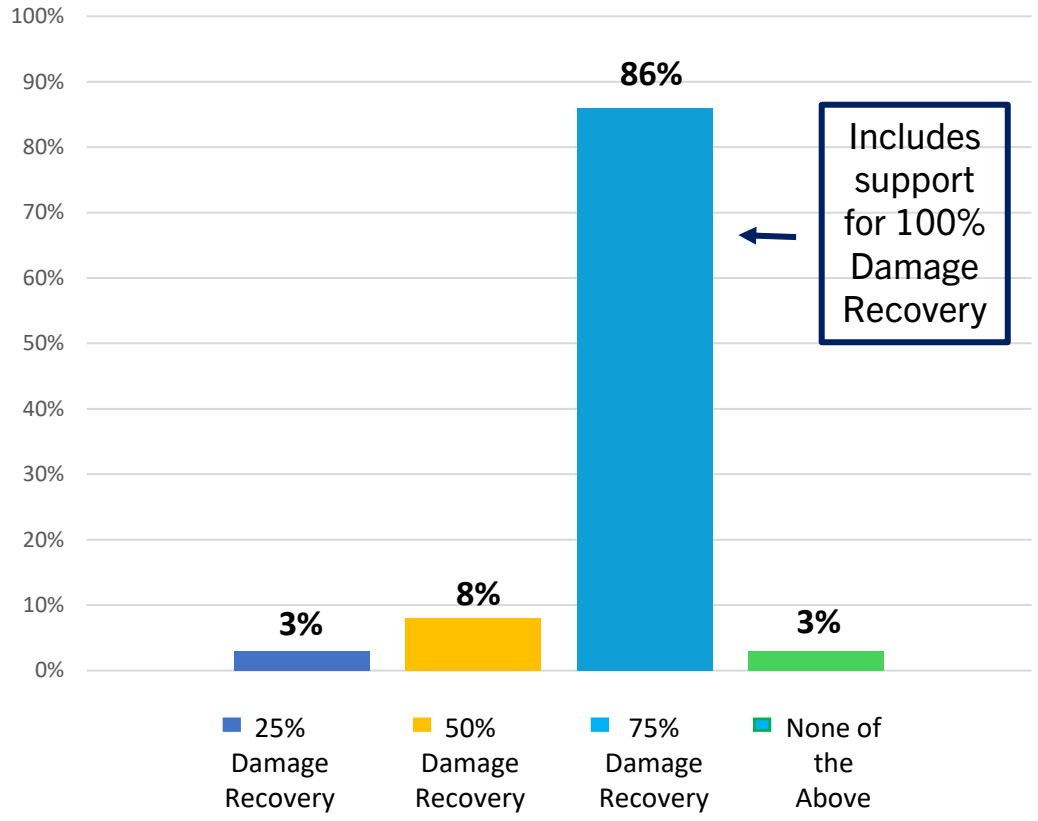


District 1 (Online Survey)

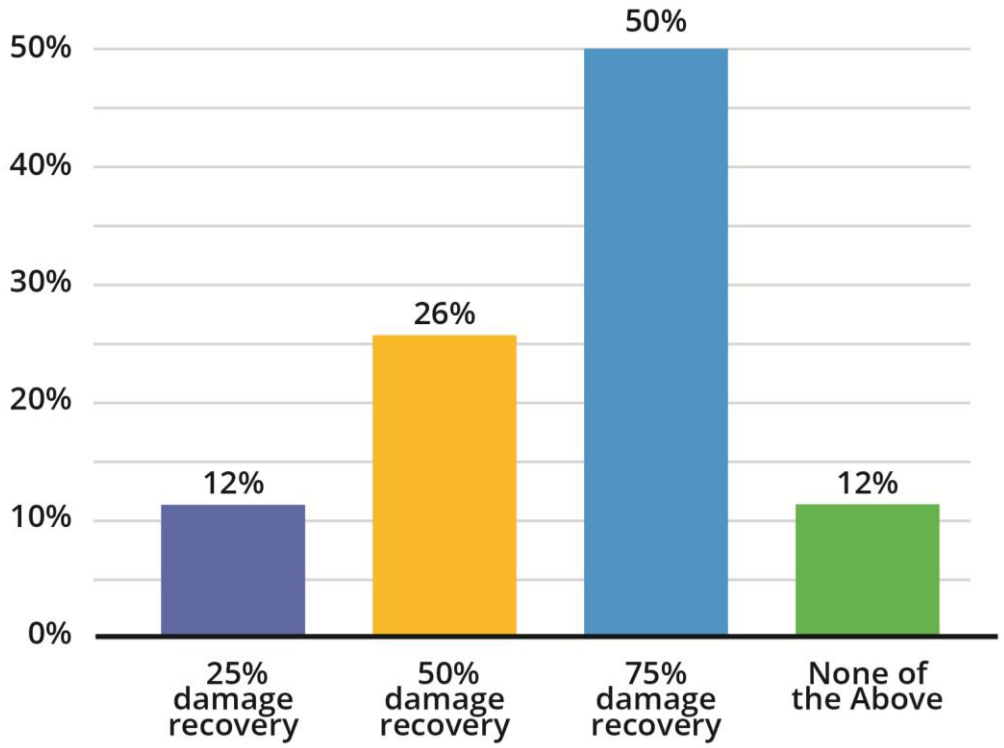


District 2: Which Street Damage Restoration Fee scenario do you prefer?

District 2 (Open House)

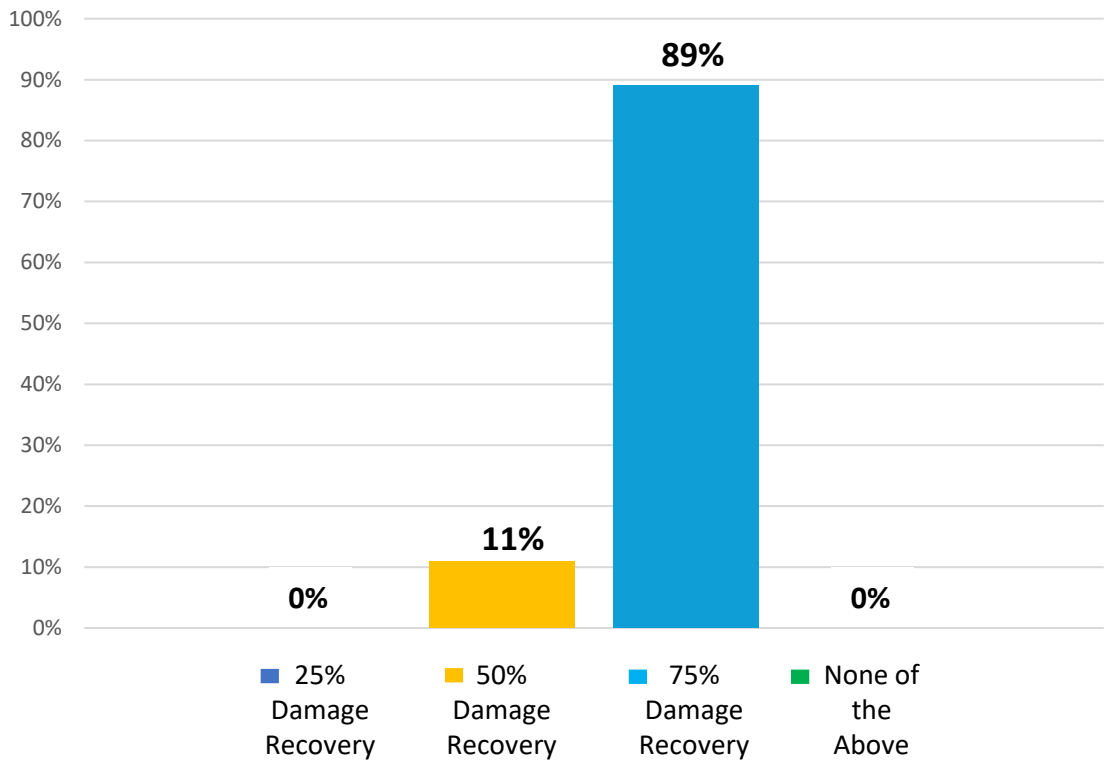


District 2 (Online Survey)

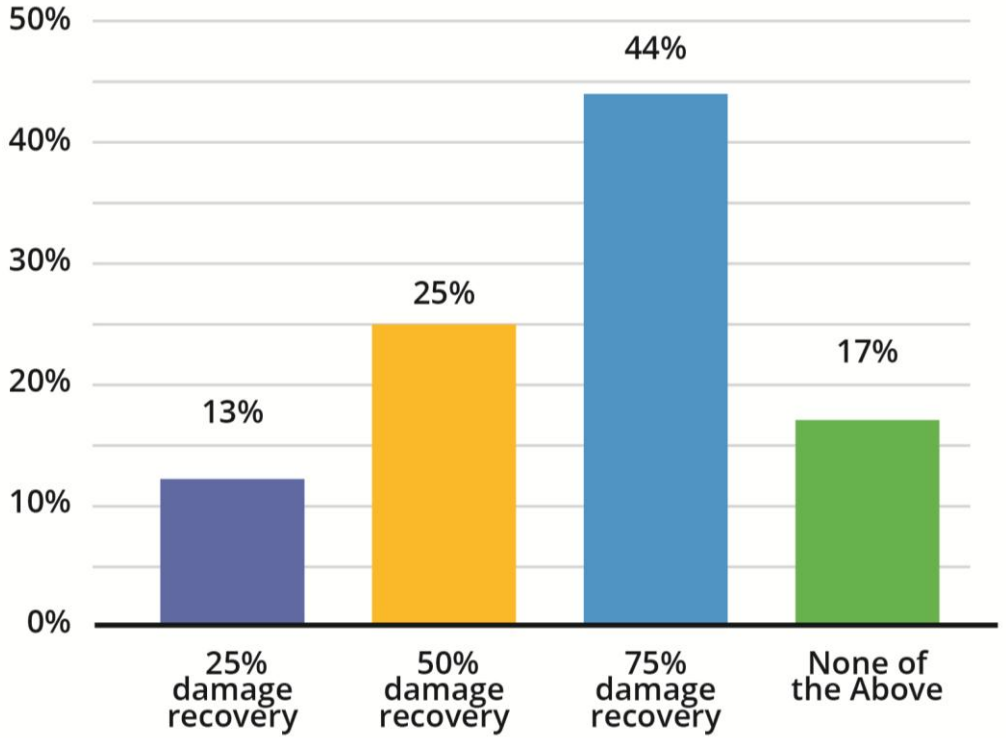


District 3: Which Street Damage Restoration Fee scenario do you prefer?

District 3 (Open House)

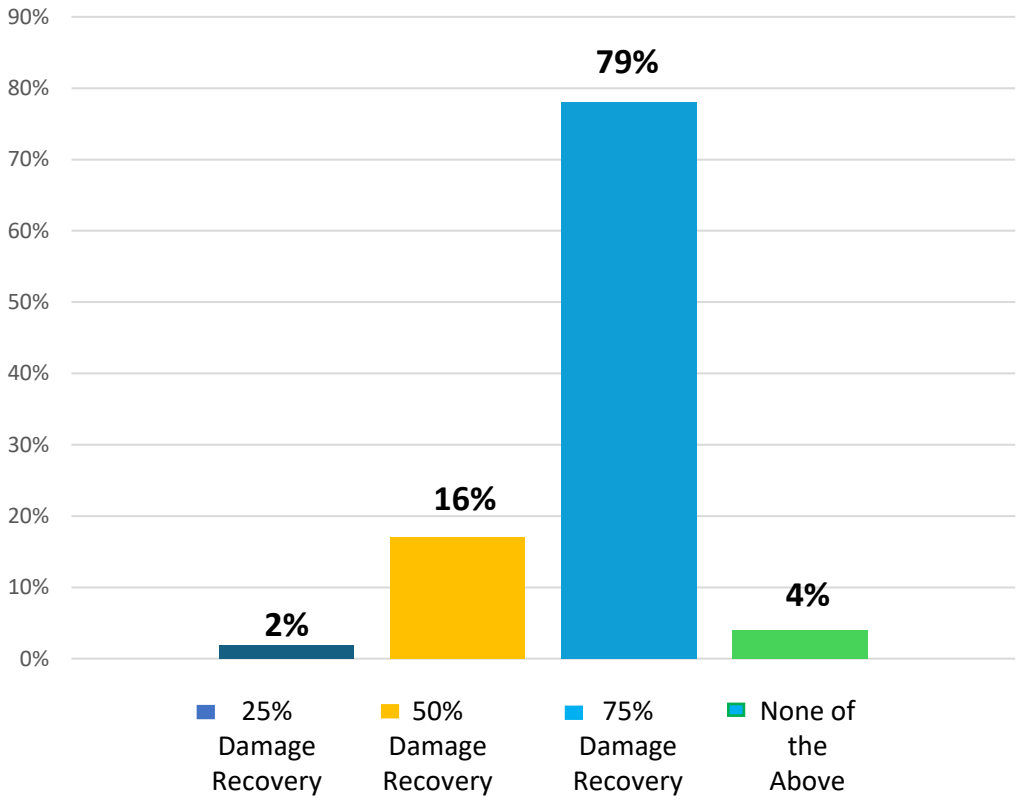


District 3 (Online Survey)

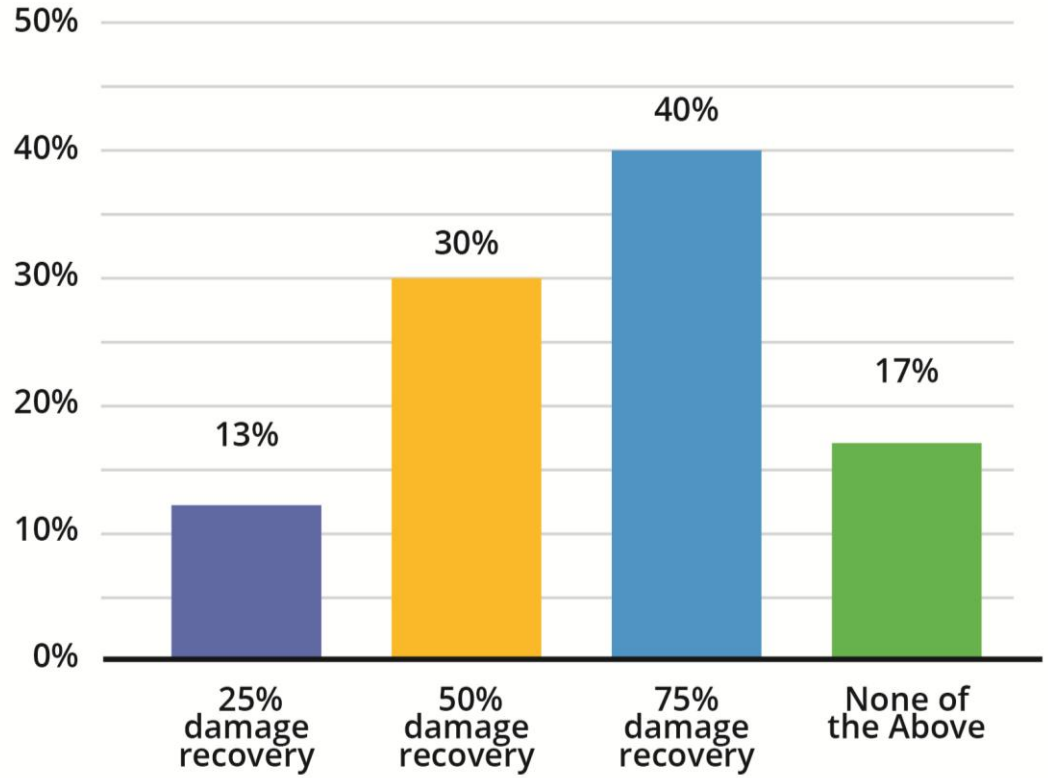


District 4: Which Street Damage Restoration Fee scenario do you prefer?

District 4 (Open House)

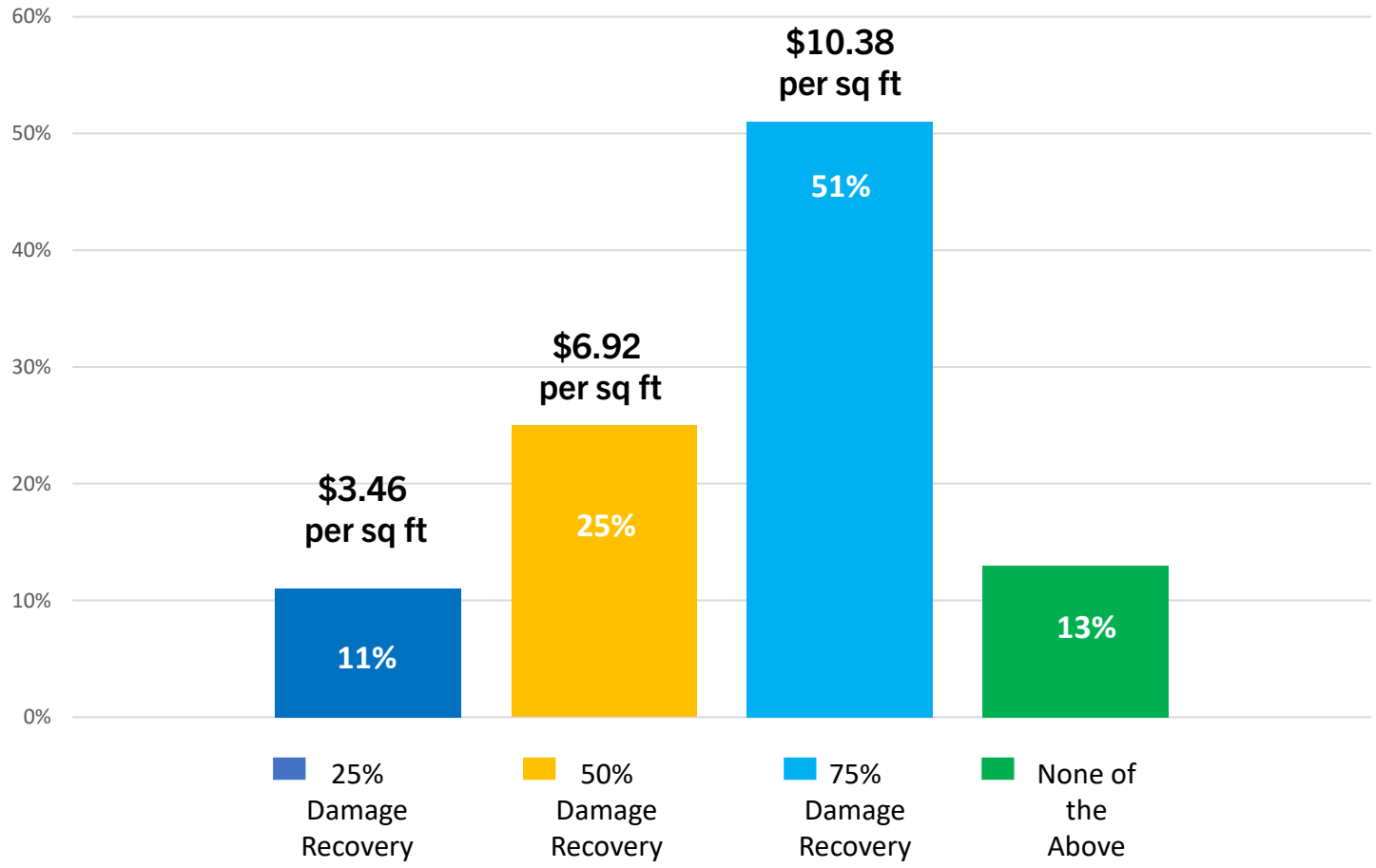


District 4 (Online Survey)



All: Which Street Damage Restoration Fee scenario do you prefer?

All District Open Houses and Online Survey Results



Themes in Comments about the Street Damage Restoration Fee

- Dissatisfaction with quality of patching done now
- Concern about impacts on housing development
- Concern about impact on City bureaus, support for better coordination
- Questions about how much would be passed on to utility customers

Transportation Utility Fee

What is it?

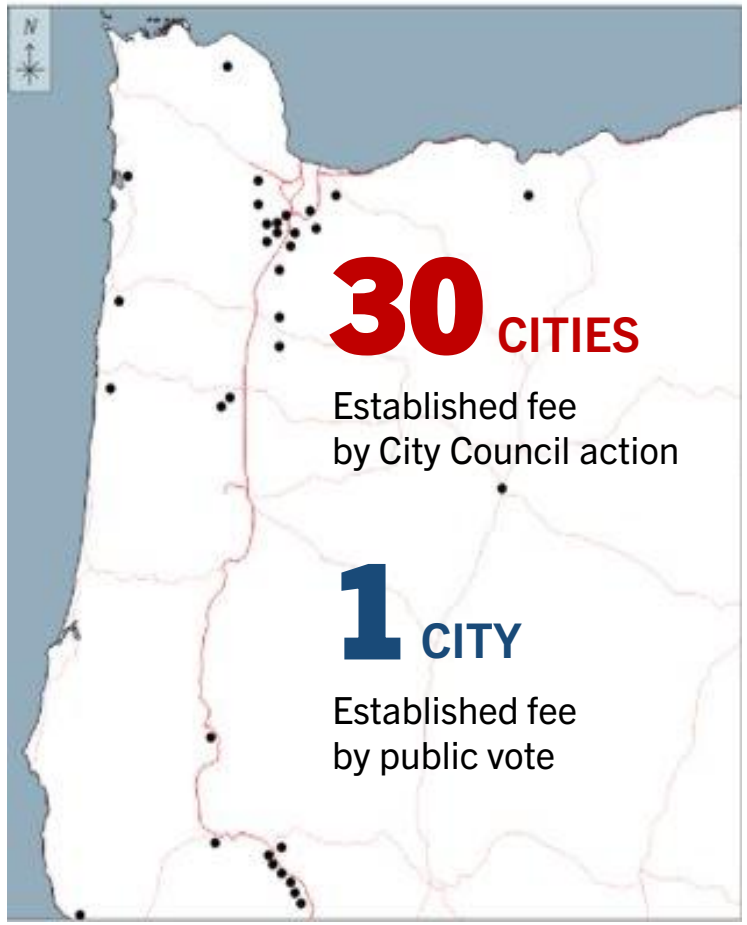
- Monthly fee charged to residents and businesses to pay for basic road maintenance and safety improvements like fixing potholes
- Successfully implemented in cities in Oregon (31 cities) and in other states (Austin and Denver)

How does it work?

- Typically collected using existing public utility billing systems

What are the benefits?

- Broad collection base allows for substantial revenue generation at relatively low cost for each payer
- Implementation is low-cost because it uses existing billing systems
- Revenue is not tied to fossil fuel consumption or driving single-occupancy vehicles
- Provides stable revenue that does not shift with transportation behavior changes



Metro Area Cities with a Transportation Utility Fee

City	Year Transportation Utility Fee Implemented	Single Family Home Monthly Fee	Multifamily Monthly Fee (per dwelling unit)
Newberg	2017	$6.60	$3.79
Tualatin	1990	$7.74	$6.46
Tigard	2003	$9.11	$8.92
Hillsboro	2008	$10.10	$9.09
Wilsonville	1997	$11.24	$7.30
Regional Average (2026)		**$12.08**	**$9.49**
Milwaukie	2007	$12.13	$9.86
Oregon City	2006	$16.47	$11.23
Lake Oswego	2003	$16.80	$12.01
West Linn	2008	$18.53	$16.73

Transportation Utility Fee Scenarios

Multifamily residences pay 70% of the single-family residential rate because, on average, they generate fewer trips per property.

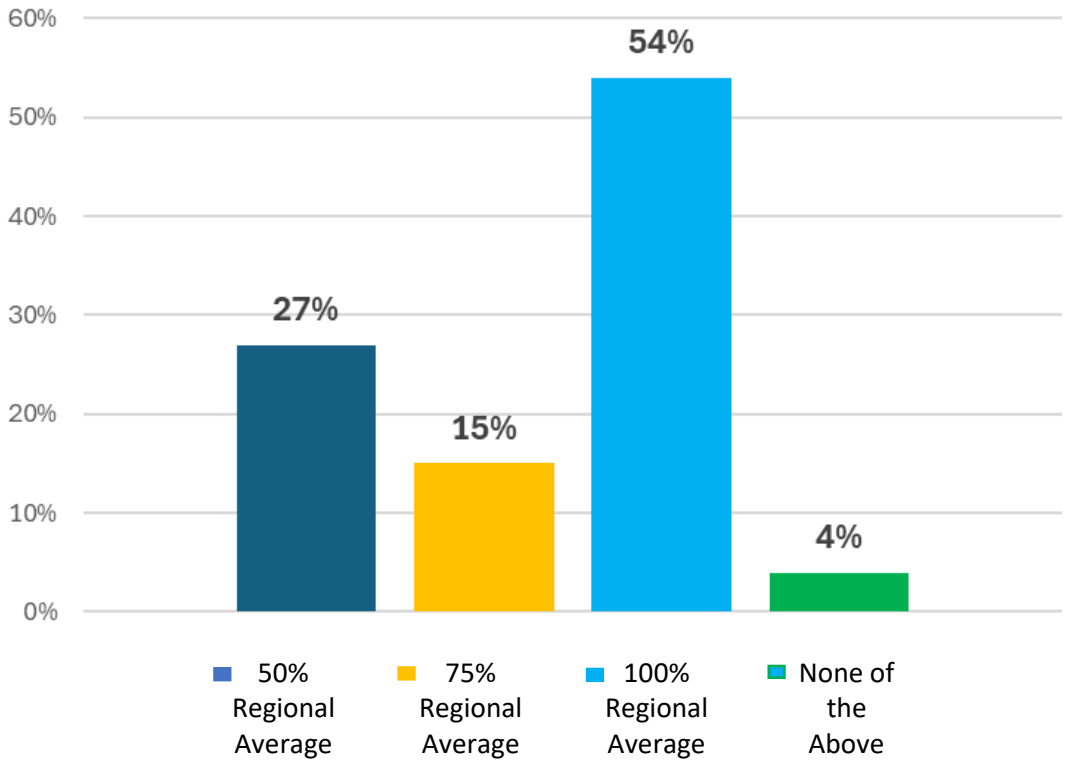
Non-residential properties would pay a percentage of their utility bill.

	50% Regional Avg	75% Regional Avg	100% Regional Avg.
Single Family (per month)	$6	$9	$12
Multifamily (per month)	$4.20	$6.34	$8.40
% Commercial Utility Bill	2.2%	3.3%	4.3%
Avg Commercial Cost (per month)	$31	$46	$61
Est. Annual Revenue (gross):			
Residential (70%)	**Based on estimates of trip generation, 70% of total revenue would be paid by residential properties and 30% would be paid by non-residential properties.**		
Commercial (30%)			
Est. Annual Revenue:	**$22,627,633**	**$34,698,066**	**$46,749,584**

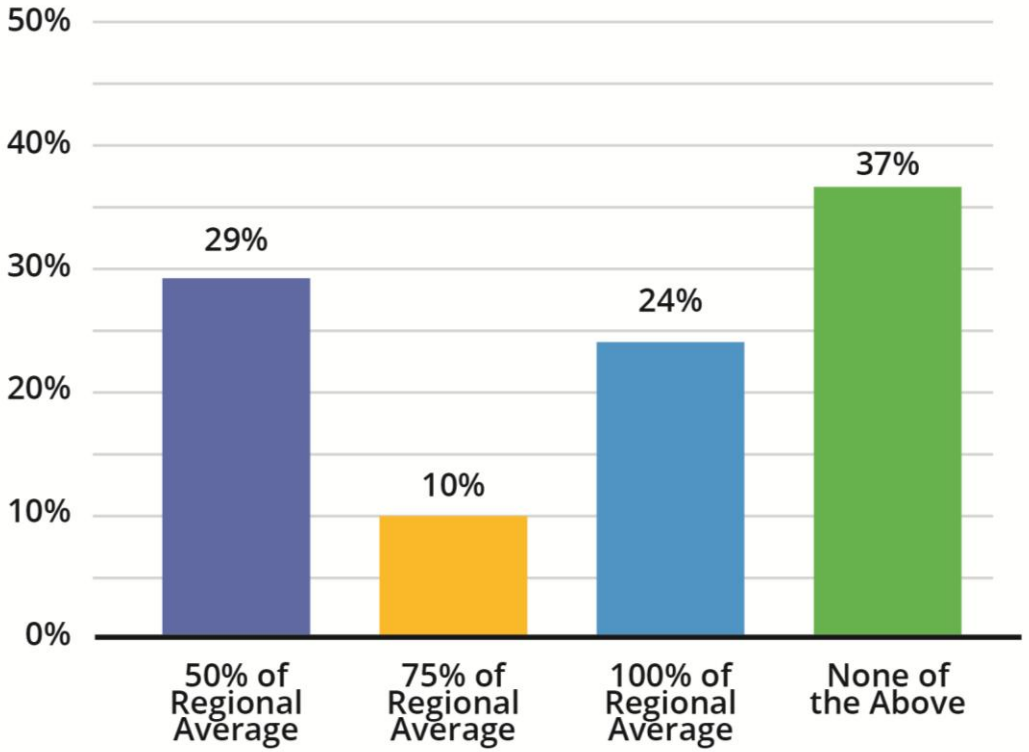
A low-income discount for households could be administered through existing low-income discount programs available on the water, sewer, and stormwater bill.

District 1: Which Transportation Utility Fee scenario do you prefer?

District 1 (Open House)

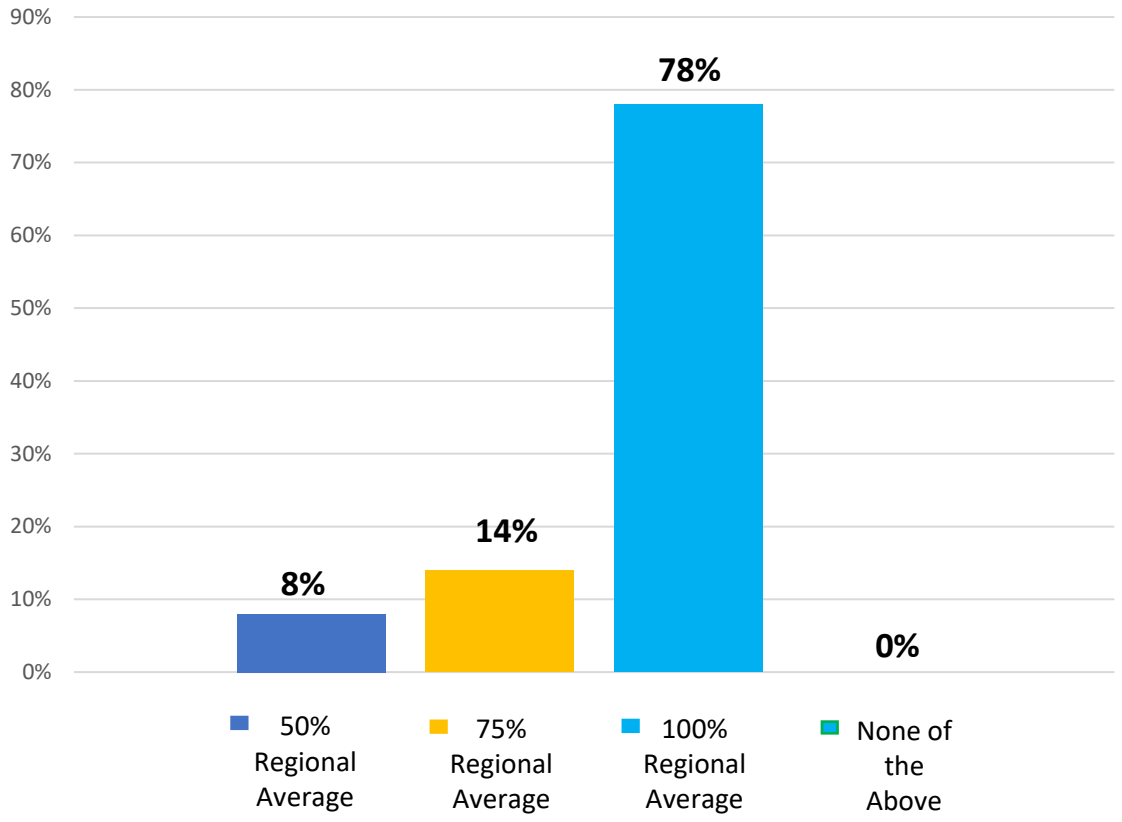


District 1 (Online Survey)

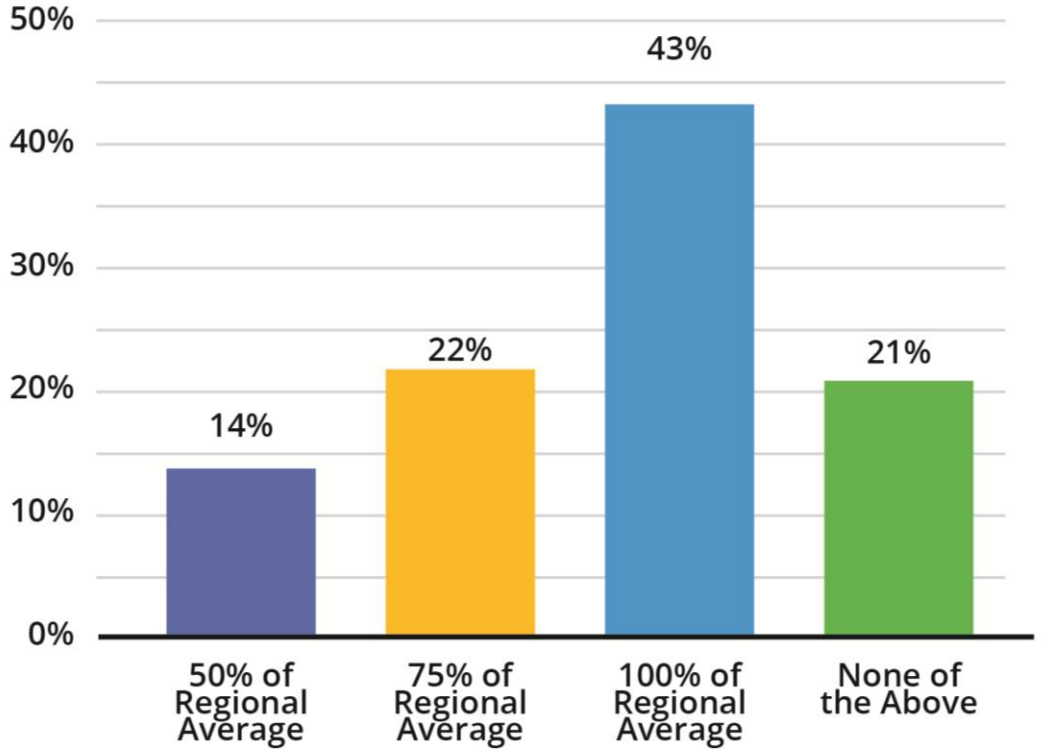


District 2: Which Transportation Utility Fee scenario do you prefer?

District 2 (Open House)

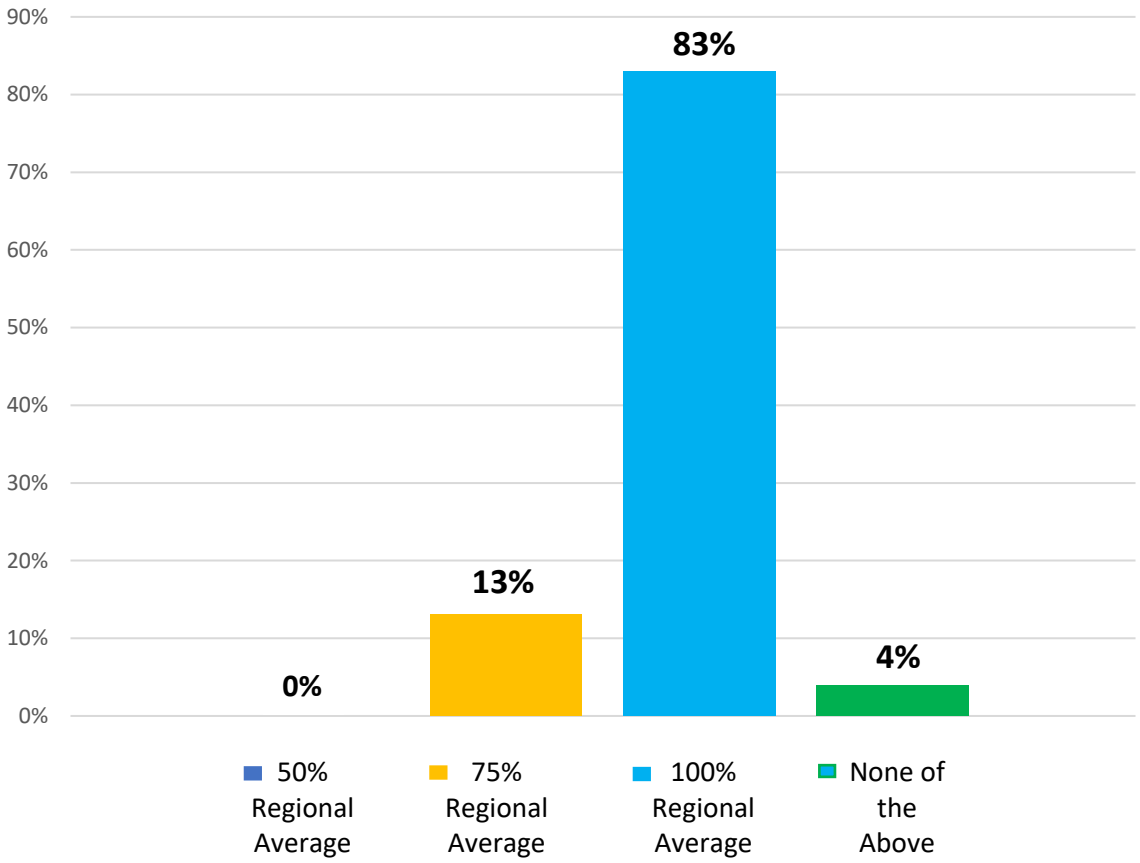


District 2 (Online Survey)

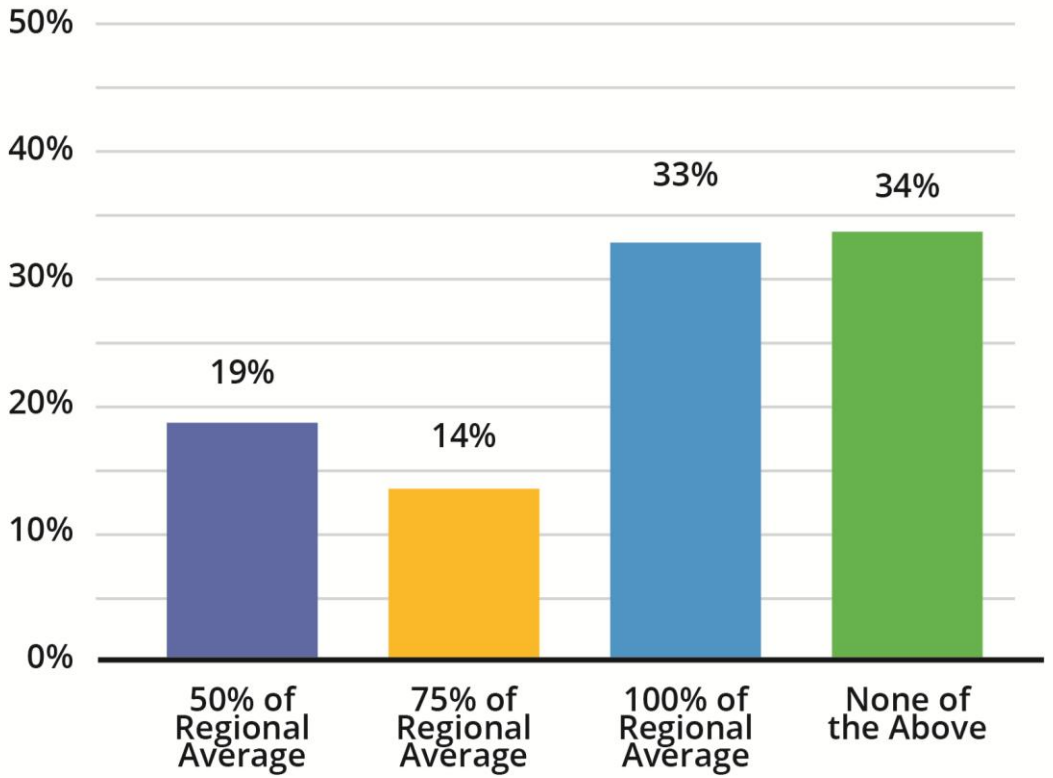


District 3: Which Transportation Utility Fee scenario do you prefer?

District 3 (Open House)

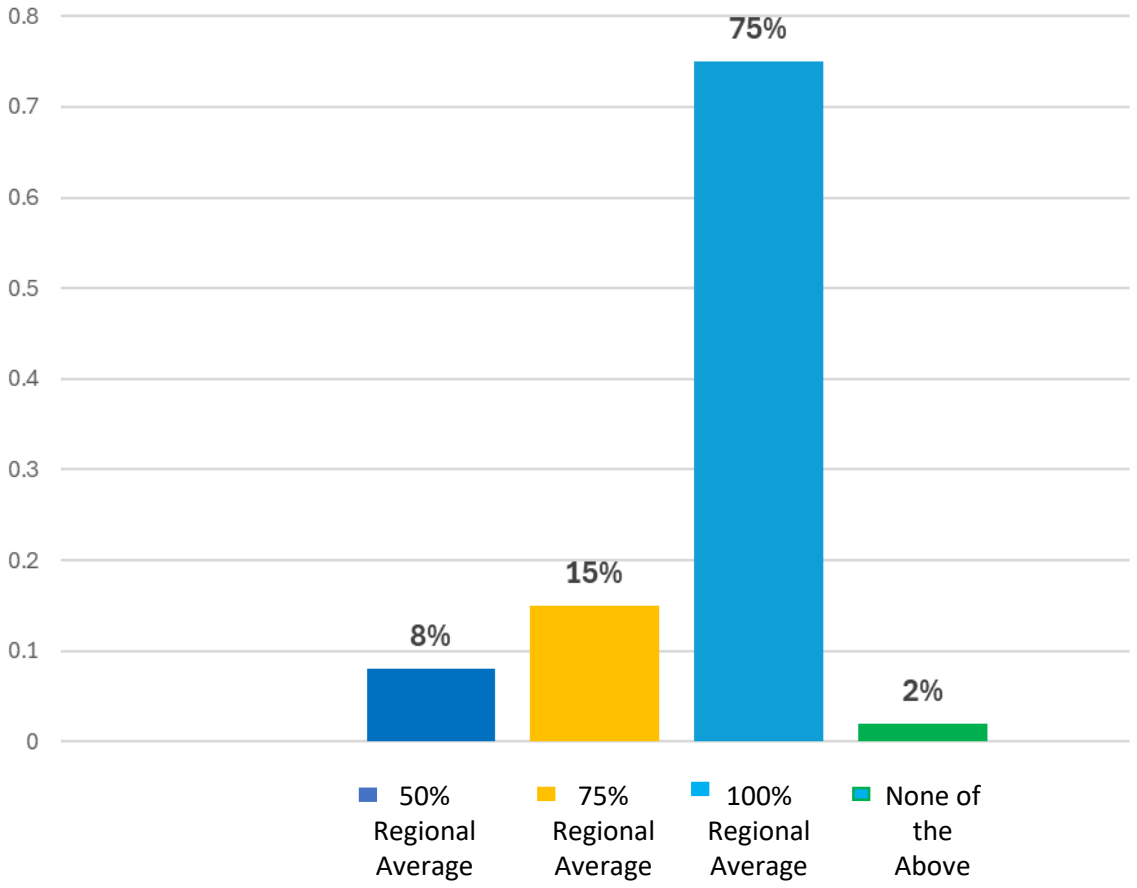


District 3 (Online Survey)

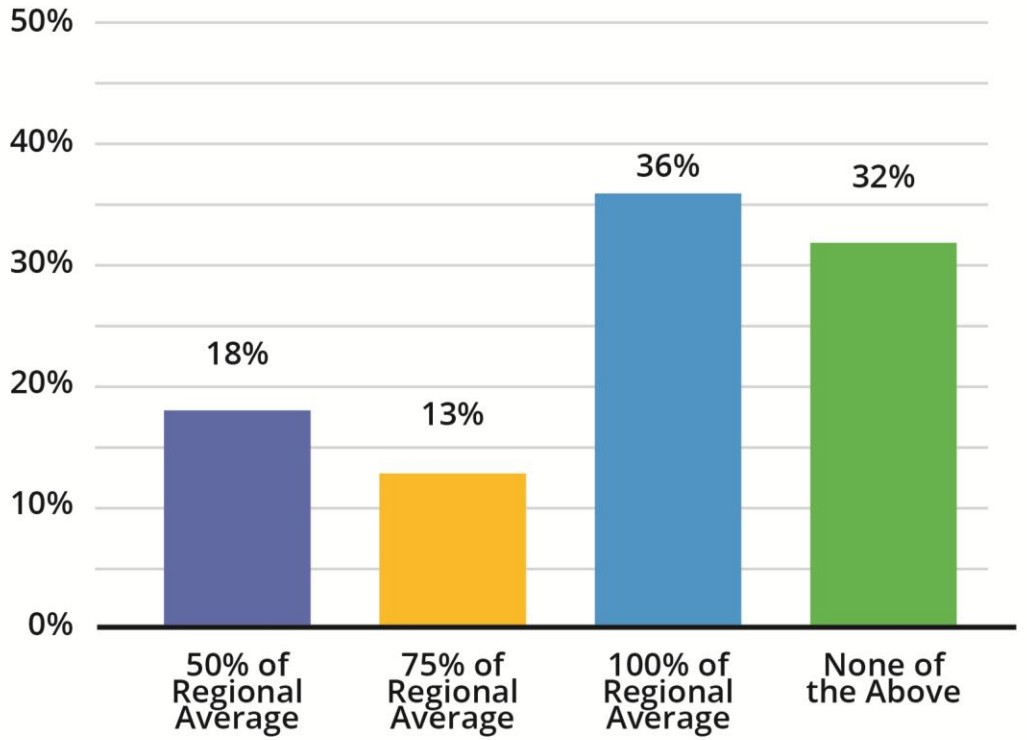


District 4: Which Transportation Utility Fee scenario do you prefer?

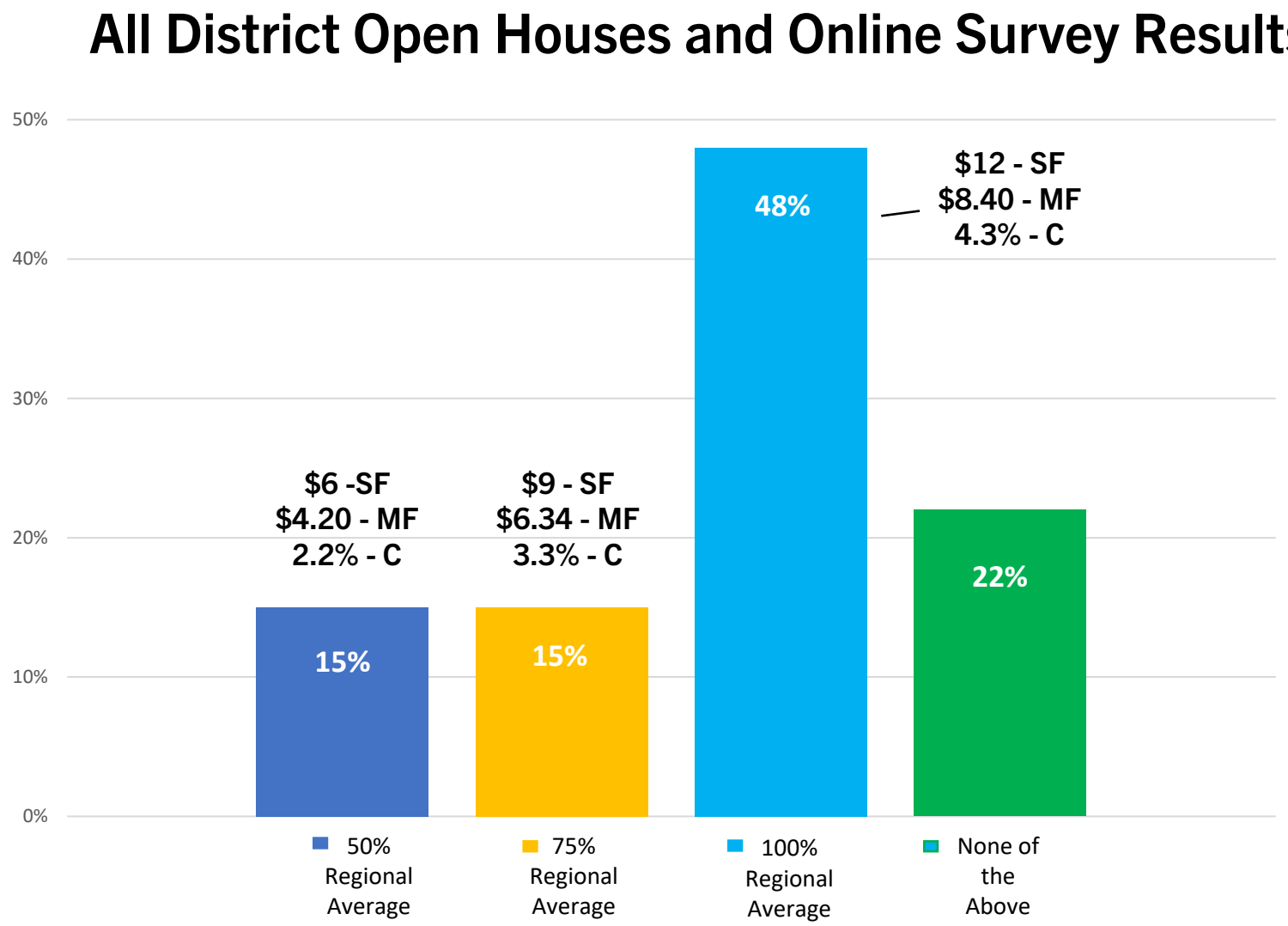
District 4 (Open House)



District 4 (Online Survey)



All: Which Transportation Utility Fee scenario do you prefer?



Themes in Comments on the Transportation Utility Fee

- Support because other Oregon cities already have it
- Concern about the cumulative cost of utility bills
- Questions about the reach of existing low-income discount
- Support for exemptions/discounts for minority and women-owned businesses, people who do not own cars

Retail Delivery Fee Concept

What is it?

- **A Retail Delivery Fee** would apply to most retail goods delivered to a Portland address. A per-transaction fee would appear to consumers at point of sale and be remitted to the City by qualified retailers.
- Two states, Colorado and Minnesota, have implemented retail delivery fees. While some cities have explored the concept, **no city has implemented one yet**.
- **Portland lacks an existing point of sale collection system, so implementing would be complex.**

How does it work?

- Retailers collect the fee at the point-of-sale for users who opt-in for delivery.

What are the benefits?

- Contributes to the cost of maintaining the transportation system that supports these services.
- May help level the playing field for brick-and-mortar businesses.
- Exemptions could be applied to specific categories of goods (i.e., groceries and medicine) or to reduce administrative burdens of collection for businesses below certain revenue thresholds.

Retail Delivery Fee Concept Scenarios

Assumptions: (Portland adult population (2024 Census): ~444,000) 42 average orders per person per year (based on WA State Analysis) Total estimated orders per year = 18.7 million		
Delivery Fee	$0.25	$0.50
Estimated Annual Revenue	$4.7 million	$9.3 million
Estimated Annual Impact to Individual	$10.50	$21.00

Exemptions could potentially be applied to specific categories of goods (e.g. groceries and medicine) or to reduce administrative burdens of collection for businesses below certain revenue thresholds.

Comments on the Retail Delivery Fee Concept

- Many comments at open houses and from the online survey were generally supportive
- At industry meetings, we heard significant concerns
- Feedback included:
  - Since the pandemic, deliveries represent a growing portion of industry business
  - Concern that implementation will be too complex and expensive to make the fee worthwhile
  - Support for exemptions of food, medicine, bicycle deliveries
  - Mitigate cost burden for local small businesses, minority and women-owned businesses
  - Concern about impact on low-income and vulnerable populations
  - Support for companies to pay the fee (or some kind of tax/fee) rather than the customer
  - Doubt that delivery does more harm than a customer driving to the store

Issues Identified in Delivery Fee Report

- Implementation will require more than a year, cross-bureau coordination, and could entail substantial expense for design, testing and deployment.
- Portland lacks an existing point-of-sale mechanism (sales tax), but other pathways may exist for implementation.
- Targeted discounts for low-income or disabled individuals are unlikely to be feasible, but categorical exemptions such as groceries and medicine are possible.
- Exemptions for small businesses could reduce administrative reporting burden for retailers.

Third-Party Food Delivery Fee Concept

What is it?

- Per-order fee applied to prepared food deliveries to help address the growing impacts these services have on our transportation system including congestion, wear and tear on the roads, and safety.

How does it work?

- Like the per-trip TNC fee, a fee would be added at the point of sale and collected by third-party food delivery platforms.
- Implemented by expanding PBOT's Private For-Hire regulations over taxis, limousines, and Transportation Network Companies (i.e., Uber/Lyft) to cover entities like Uber Eats, DoorDash, or Grubhub, etc.

What are the benefits?

- Fee would help pay for impacts to the transportation system that supports these services. Users can avoid the fee by picking up or dining in-person.

Third-Party Food Delivery Fee Concept Scenarios

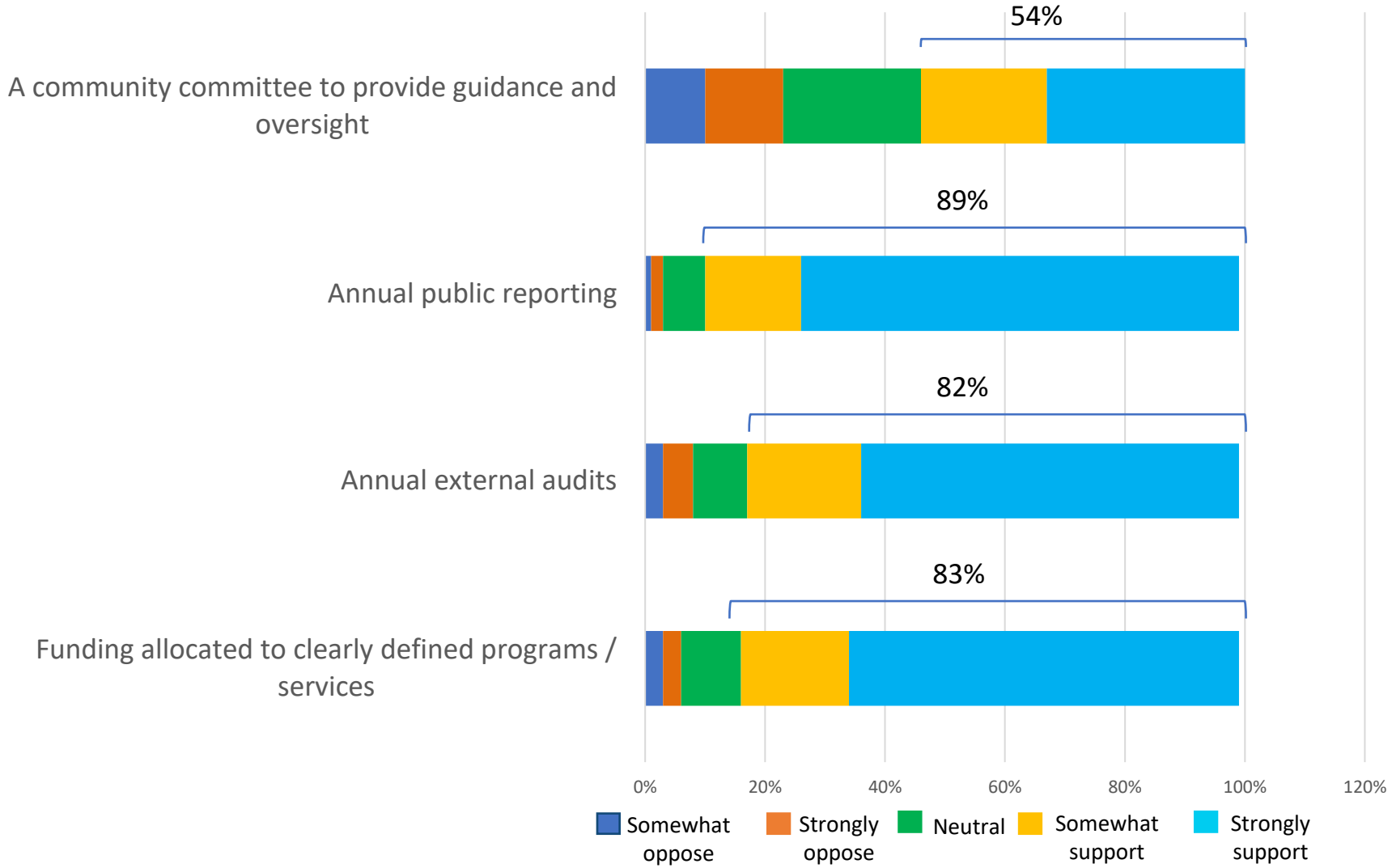
Assumptions: (Portland adult population (2024 Census): ~444,000) 19 average orders per person per year (based on preliminary estimate) Total estimated orders per year = 8.4 million		
Delivery Fee	$0.25	$0.50
Estimated Annual Revenue	$2.1 million	$4.2 million
Estimated Annual Impact to Individual	$4.75	$9.50

Exemptions could include businesses that do their own prepared food deliveries (i.e. pizza restaurants).

Comments on Third-Party Food Delivery Fee Concept

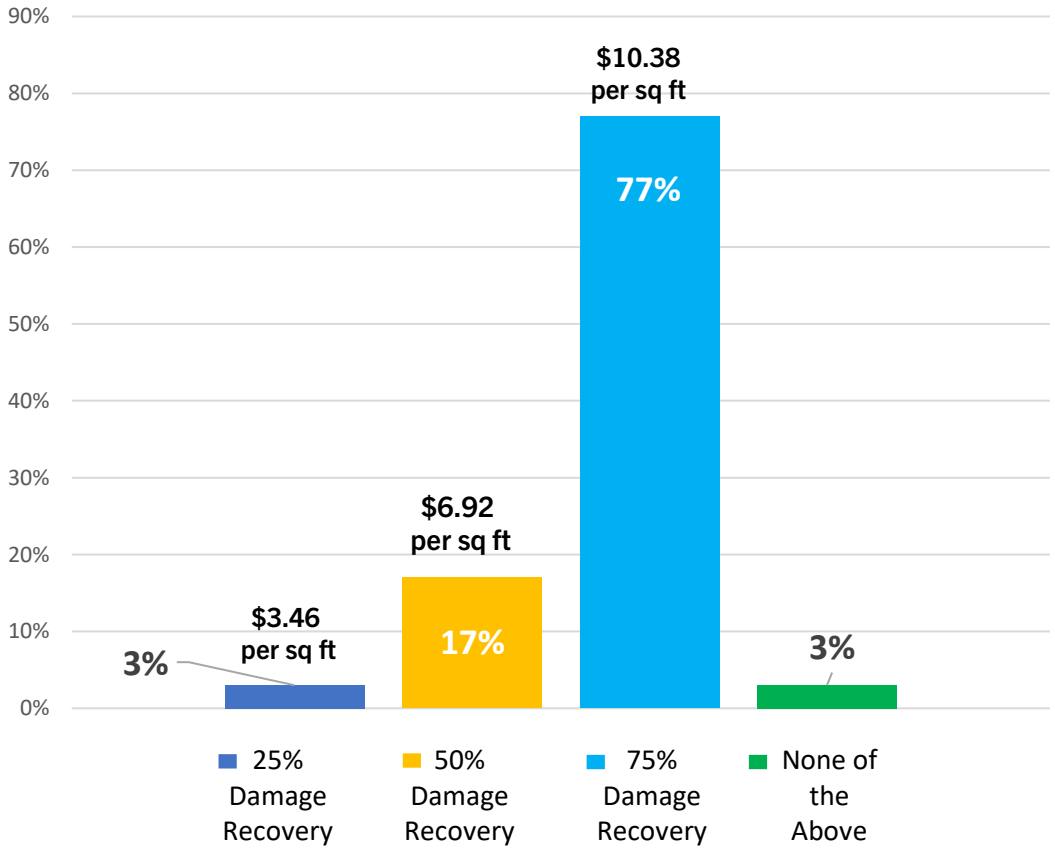
- Many comments at open houses and from the online survey were generally supportive
- At industry meetings, we heard significant concerns
- Feedback included:
  - Since the pandemic, deliveries represent a growing portion of industry business
  - Support for exemptions/mitigation for low-income, disabled, elderly, bike/scooter delivery methods, small businesses, minority and women-owned businesses
  - Concern about impacts to people on low-incomes and people living with disabilities
  - Concern about impact on restaurants, delivery drivers
  - Concern that implementation will be too complex and expensive
  - Split – desire for companies to pay vs desire for consumer to pay (to change behavior)
  - Doubt that delivery does more harm than customer driving to the restaurant

How much do you support these Accountability Measures?

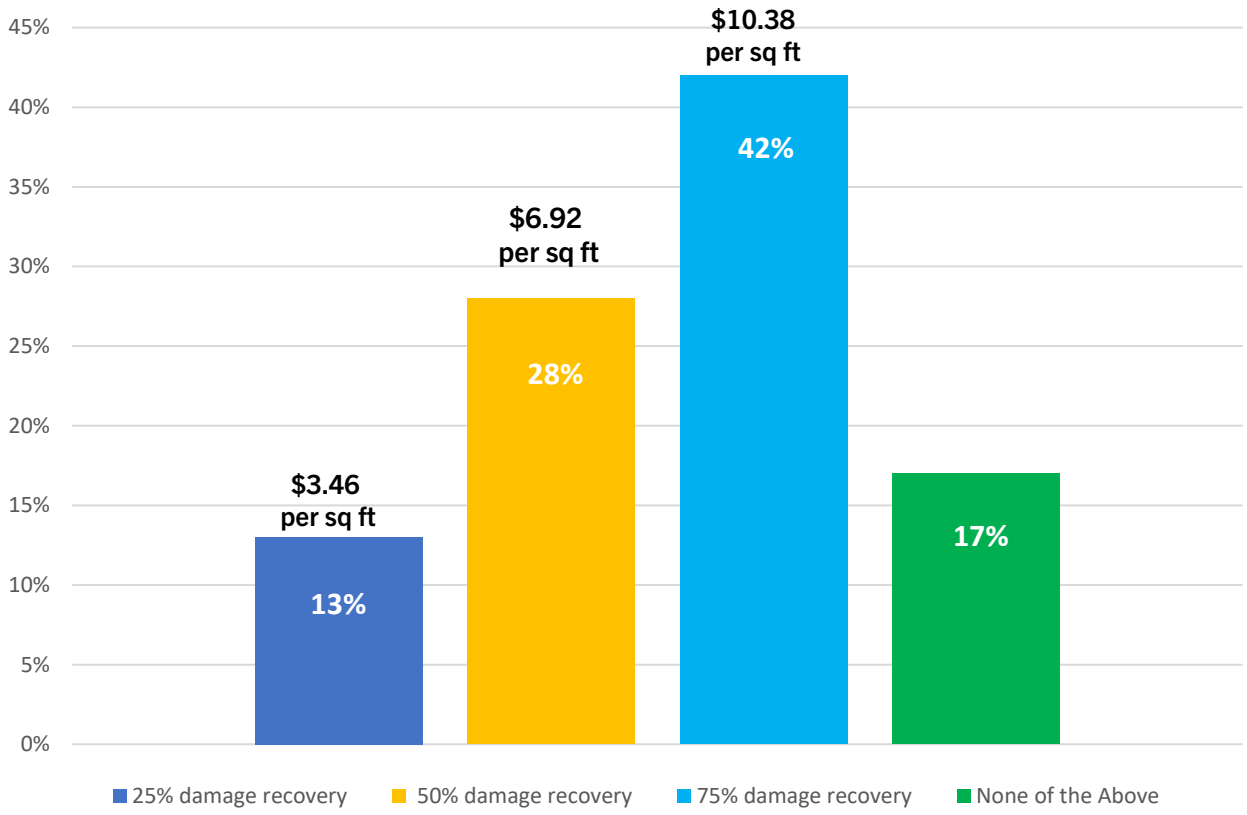


Overall Street Damage Restoration Fee Results

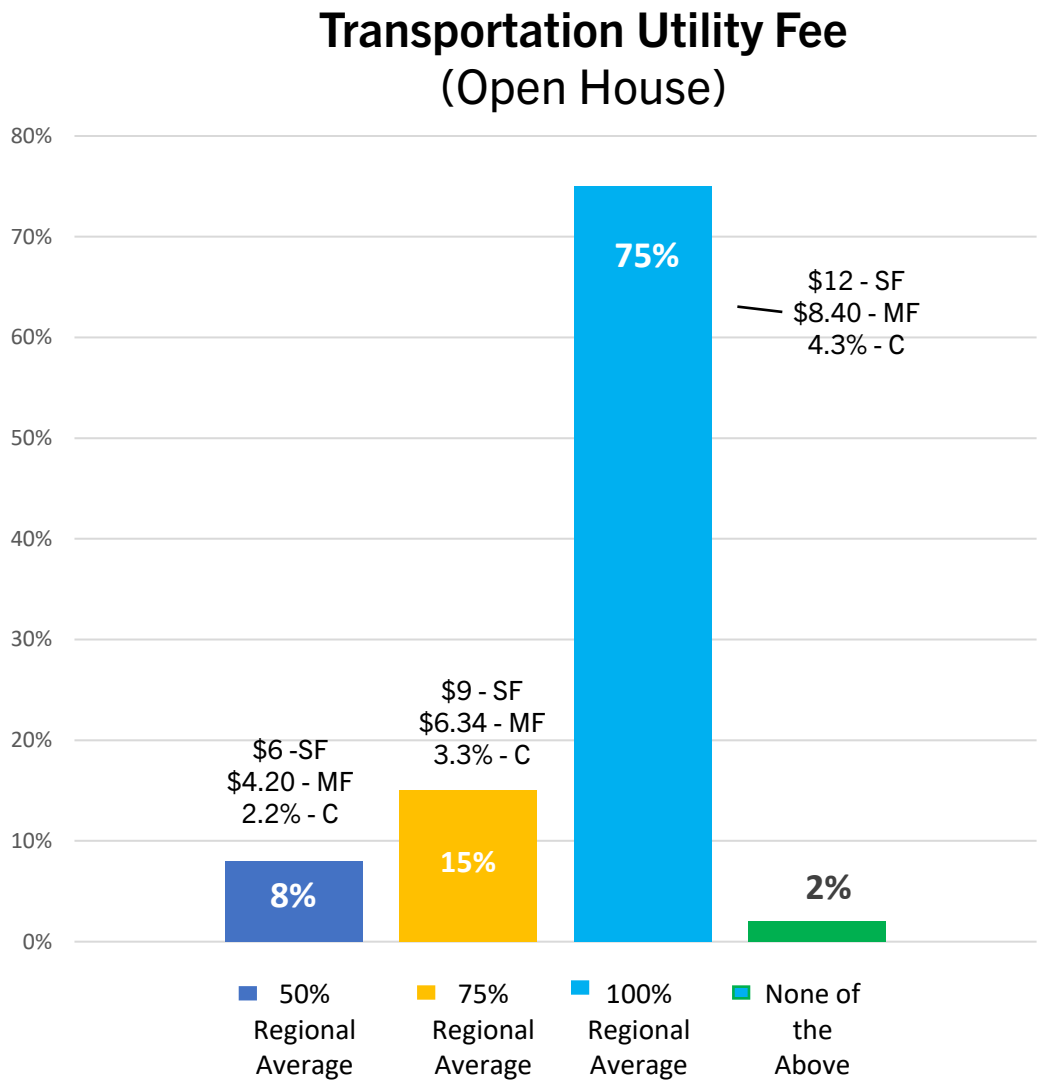
Overall Street Damage Restoration Fee (Open Houses)

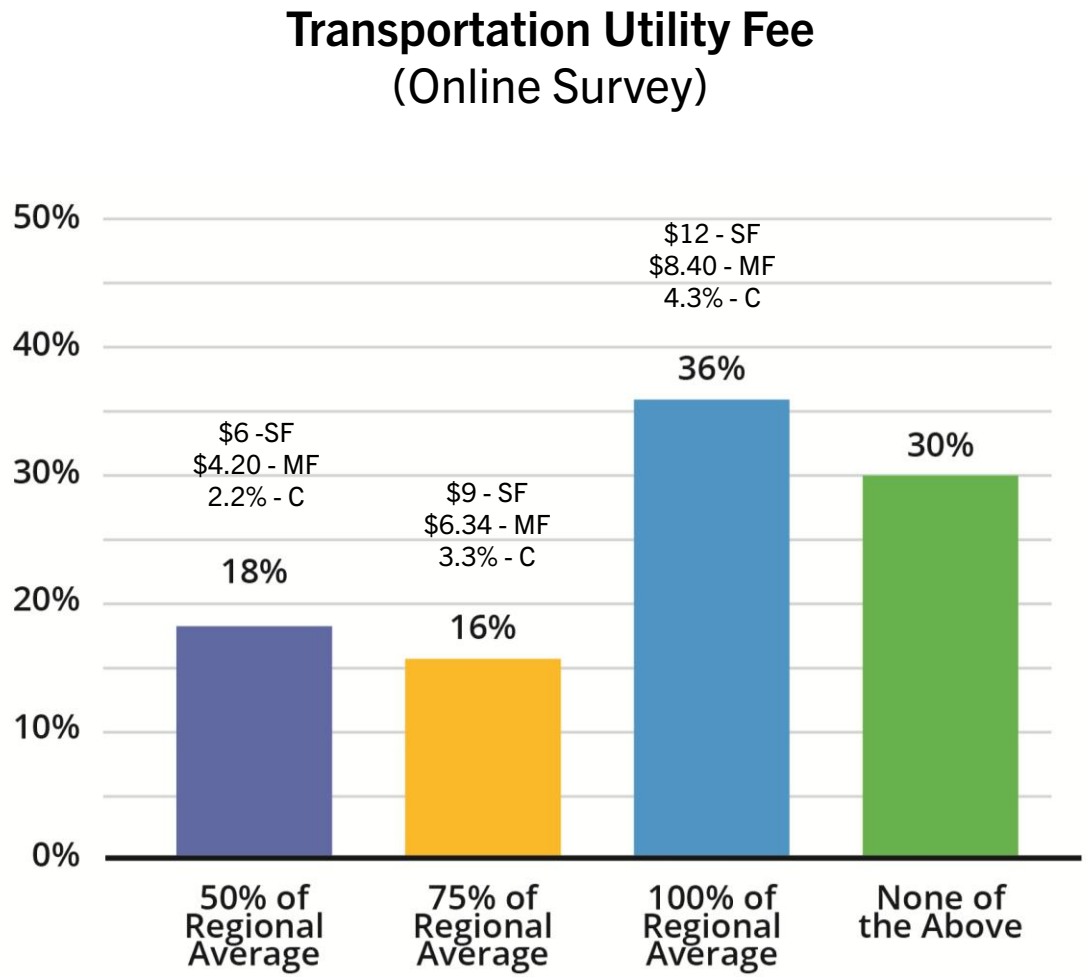


Overall Street Damage Restoration Fee (Online Survey)



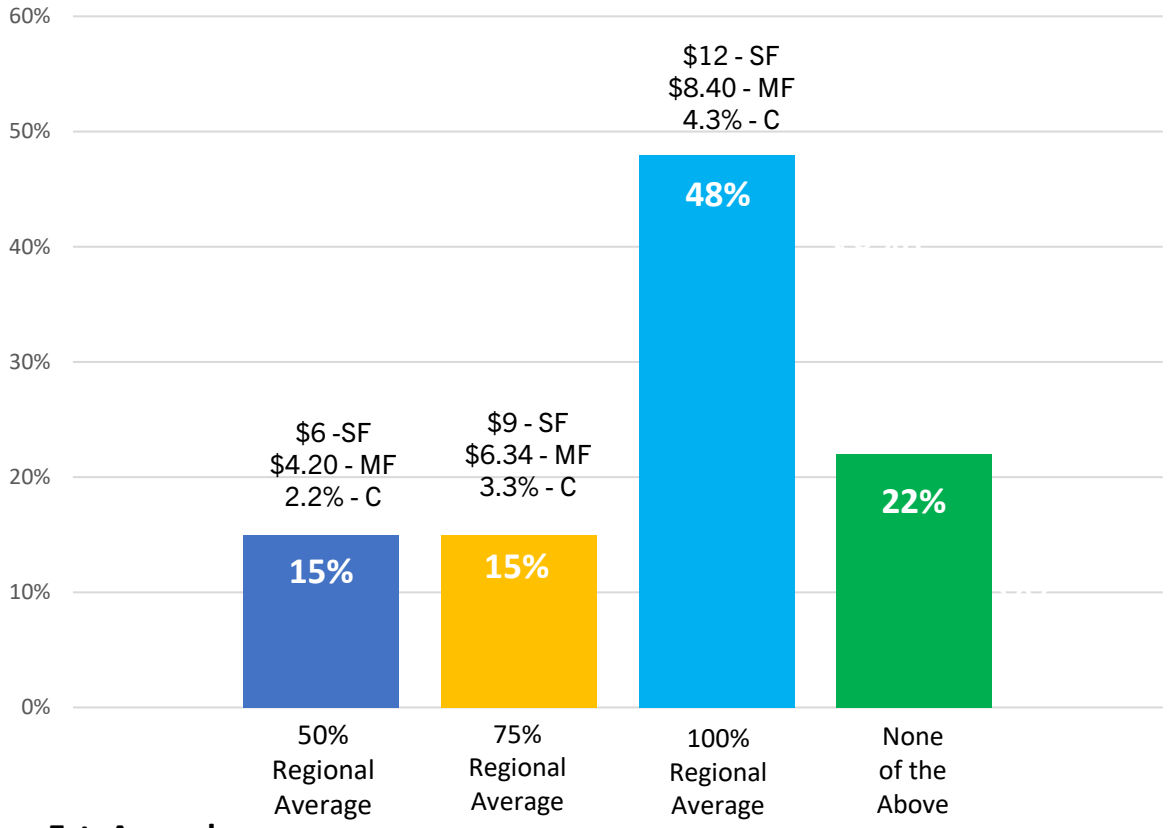
Overall Transportation Utility Fee Results





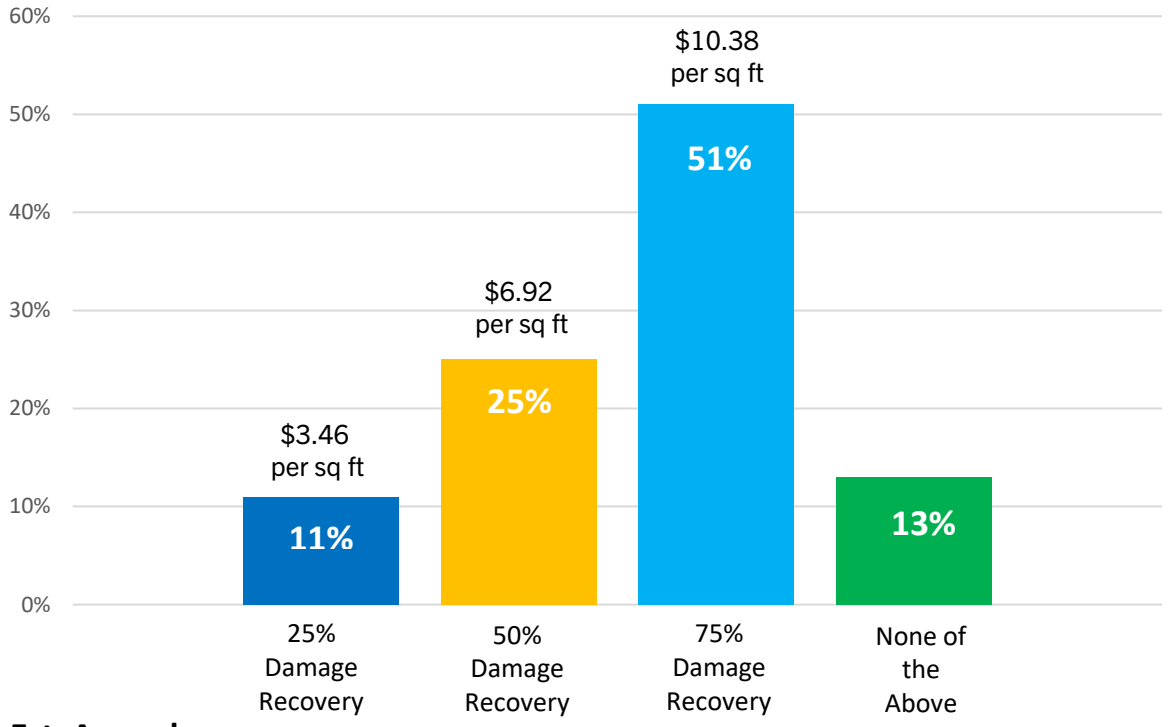
Summary of Feedback

Transportation Utility Fee
(Open House and Online Survey Results)



Est. Annual Revenue: **$22.6 M** **$34.7 M** **$46.8 M**

Street Damage Restoration Fee
(Open House and Online Survey Results)



Est. Annual Revenue: **$7.4 M** **$14.8 M** **$22.2 M**

Discussion

PBOT
PORTLAND BUREAU OF TRANSPORTATION