

# CTAC Submission

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**Date:** July 12, 2018

## Introduction

I have long been interested in transportation system design and planning. In addition, I am aware of the challenges that confront the City of Bend, with its high growth rate, low-capped tax rate, and a thriving tourism industry, in updating a comprehensive transportation system plan that will take it the next twenty years. As a Budget Committee member for the last four years, I also became mindful of the financial hurdles the City faced in adequately funding important transportation-related objectives. The comments below are an attempt to address some of these issues. (This submission focuses on several topics that I believe need the most attention; a later submission will focus on suggestions for funding/financing my ideas.)

## General comments on the planning process

The preparation and process for developing a comprehensive plan such as the 20-year update of the City's Transportation System Plan is difficult and, in this instance, very ambitious, and thus the process is important. Clearly, there has been a lot of thought put into designing the process. My only hope is that it does not unnecessarily get in the way of the actual substantive part, i.e., the planning itself. That said, I am a big proponent of 1) establishing baselines and benchmarks; 2) prioritizing accountability by assigning responsibility and monitoring results; 3) maintaining a high degree of transparency in the decision-making process; 4) developing performance metrics to help assess planning success; and 5) providing all stakeholders with detailed and timely reports of the planning effort's progress.

## Comments on the need for focusing on street maintenance

As a resident of the City, and recently as a Budget Committee member, I have been aware of the great need for a more robust street maintenance plan that is adequately and sustainably funded. Over the 9 years (2008-16) prior to the current biennium, the General Fund's support to Streets was an average of about \$1.9M/yr, and not all of that was used for street preservation.

The public has made it clear they want the City to concentrate on street maintenance. There's been numerous surveys and polls showing the citizens of Bend want better street maintenance. Public opinion was clear after the vote on the fuel tax: "We want our streets fixed, but we don't want to pay another tax--we think the City can do a better job of allocating its resources." I have tracked comments among the members of my neighborhood association (Century West NH Assn.) about this issue and got the same answer. I have talked to many friends, neighbors, and strangers about their preferences for what the City should focus on in this next biennium: the answers have almost unanimously been, "Repair our roads!"

The issue is embedded in one of the CTAC draft goals (an objective in the first goal is, "Reduce vehicle operating and maintenance costs due to poor pavement conditions.") It is also included in the *General Policies* of the existing *Transportation Systems, Chapter 7 of the City of Bend Comprehensive Plan*: at 7-57, it states, "The City shall place a high priority on providing adequate funding for street maintenance."

The current City Council has also identified street maintenance as one of their top three priorities in a decision made at a mid-February, 2017, City Council goal setting session. In April, 2017, during the Budget Committee deliberations on the 2017-19 biennium budget, the committee proposed, and the Council adopted, a street preservation budget of just over \$5.1M per year. But this was a drop in the bucket compared to the very large deferred maintenance (more than \$100M) that had accrued over the previous ten years, and in any case has so far resulted in an almost negligible dent in the perceived need for street maintenance.

Several additional points worth mentioning lend extra weight to the need for prioritizing street preservation in the updated Transportation Plan:

1. The City's road system, at nearly \$1B (not including curbs or sidewalks) in replacement value (from the City's most recent PCI report) is by far the most valuable tangible asset it has. Maintaining it to a highly-functional level is an important fiduciary responsibility of the Council. But deferred maintenance has greatly increased over even the last three years, and now is a high percent of the value of this important City asset. This is a very serious issue and becoming greater each year.
2. The City of Bend is growing fast. The City is the fastest growing city in the state over most annual periods, and one of the fastest in the country. This places a growing demand on the City's transportation system, especially street preservation. By most standards, it's not keeping up.
3. Maintenance of the City's street infrastructure to a highly functional level actually improves performance and efficiency, while at the same time lowering the costs, of our public safety departments, particularly fire and police, which is an important Council objective. Response times, an important performance metric for both agencies, is particularly sensitive to road conditions.
4. A highly functioning transportation system is vital to one of the City's primary industries--tourism. Potholes and deteriorating pavement deter visitors and prospective residents and commercial enterprises, while well-preserved streets attract them.
5. Economic development, which might be considered the lifeblood of a thriving community that has a low-capped tax rate, benefits from an attractive environment, but even more from a highly-functional infrastructure that facilitates the efficient transportation of goods and services.
6. Improving our *existing* road system will make it cheaper to maintain them.
  - a. In the long run, it is actually much less expensive to maintain our roads at a higher PCI level (a PCI of 80 to 85 should be our goal) than to struggle to maintain them at the current "fair" level (and the current PCI level of 71 benefits from the construction of new roads and the very expensive reconstruction of a few existing roads).
  - b. Stop gap measures, such as filling potholes, do not extend the life of a street, although they may help to avoid citizen complaints and some portion of vehicle damage settlements. But deferred maintenance figures continue to mount. In any case, many of the City's streets, including some collectors and arterials, don't even get their potholes filled, much less adequate street preservation treatments.
  - c. Although it might be counterintuitive, it is actually cheaper to spend money for, or finance, major street improvements early in the cycle, and reach the stage of lower annual maintenance costs sooner than stretch out the process over decades. (I have some supporting documentation for this.) This is because:
    - i. Financing costs are currently relative low and are more likely to increase than decrease or stay the same.
    - ii. The fixed and variable costs of both improving and maintaining our streets are more likely to increase than decrease over time due to inflation.
    - iii. It is much more expensive, per lane-mile, to maintain a road in poor or fair condition than one that is in good condition.
    - iv. The lifetime of a street maintained in good condition is much longer than a street in poor condition.
7. The City of Bend is again in a high-growth mode, with employment and population increases among the highest in the state and the nation. This will put additional and increasing pressure—especially in the mid- to longer-term—on the need for adequate street preservation, resulting in maintenance costs that will far exceed the rate of inflation.
8. The City needs to show the voters that it is willing to make hard choices. This is especially important if the Council has any thoughts of putting another dedicated funding source before the voters.

These are among the many reasons that City Manager Eric King wanted last year's Budget Committee deliberations to focus not just on finding a few one-off and unsustainable sources of money to kickstart the street preservation work on our lengthening list of deferred maintenance projects, but to find a dedicated, long-lasting source of funding substantial enough to make a realistic dent in the problem during our lifetimes. For a variety of reasons, the fuel tax idea wasn't approved by the voters. It may be tried again, but this time the City (both management and the Council) needs to have a backup plan, such as the TUF (transportation utility fund) that I proposed during the Budget Committee deliberations last year, or some other viable idea.

### **Comments on New Infrastructure planning**

The major part of the transportation plan deals with new infrastructure—how much, where, what kind, and how will it be funded. Here, I take issue with the City's two apparent conflicting goals: on the one hand, it espouses the advantages of growth (which, given Bend's many attractive qualities, is inevitable anyway), but on the other hand, it has adopted and touts the value of limiting the use of cars. Yes, Oregon encourages land use planning that reduces vehicle miles, and neighborhoods that promote walking and bike riding certainly increase their livability, as well as contributing to environmental objectives, but growth by itself is going to dictate that there will be more cars on our streets, and as the City spreads, there will likely be more vehicle miles driven per capita as well (despite the City's worthwhile plan to encourage semi-autonomous neighborhoods/commercial districts). So far, the City has had blinders on when planning for the size and location of its collectors and arterials, especially on the west side, in my judgment. Hopefully, the advisory committee will see the need for wider streets (three to four lanes, instead of two, in new arterials and some collectors)—to minimize congestion (a stated goal), instead of promoting congestion as a way of getting people out of their cars. One very sensible solution is to promote, with zoning changes and modified development restrictions, the formation of integrated neighborhoods with a mix of residential, commercial and institutional (education, churches, safety facilities, agencies, etc.) development. This has already started to happen, but through changes in the transportation system plan and zoning changes, we just need to pick up the pace, I believe. Instead of adopting policies that are aimed at *restricting* the use of cars, it better recognizes the impact of market forces and new technologies, and is less controversial, to *provide options* to vehicular usage. Zoning for development, bike lanes, improving pedestrian access, and carefully-planned public transit routes are appropriate strategies for accomplishing this.

Bend has a number of neighborhood streets that are not paved, causing local residents some anguish, and in at least one case, occasional city through-traffic causes additional problems. It might behoove the City to consider a plan that encouraged such neighborhoods to form LIDs (local improvement districts) in order to pay for part of the paving costs over an extended period of time by being willing to share the cost (in a negotiated agreement). This has several salutary benefits. In addition to calming the local residents, the upgraded streets would contribute marginally to an overall, city-wide increase in its PCI, improve emergency response times, and bolster neighborhood property values.

### **New technologies that may have a bearing on transportation planning**

1. While many cities have been turning to public transit systems to alleviate congestion and pollution problems, according to a recent article in *The Economist*, "The American Public Transportation Association's figures show that the number of journeys in the country as a whole has fallen in each of the past three years." In 2016-17, every kind of mass public transport became less busy than before, including buses, subways, commuter trains, and trams. And this was true for nearly every major city in the country. One explanation for this phenomenon is the high and increasing cost of operating these systems, resulting in many cases in deteriorating facilities, busses, and trains.

2. Another possible cause, although not well-researched, is the market-driven interest in Uber and Lyft, both of which will soon have a foothold in the ride-hailing business in Bend. These and other competitors are clearly grabbing customers from public transportation, which is not a surprise given their affordable ability to transport people to and from locations that are not well-served by public transportation.
3. A new technology appears to be gaining steam, with many of the car producers, ride-hailing companies, and even Google jumping aboard: self-driving cars. Touted as a safety advancement, several major cities are already conducting pilot programs. This trend will have an impact on city transportation system planning, and may result in more cars on the road.
4. And now, in a move that may counterbalance the trend towards more vehicles on the roads, both Uber and Lyft have recently been reported to have bought bike-sharing companies in order to diversify their location-to-location services, further pressuring public transportation systems.
5. Economic conditions greatly affect the choices in transportation, research has shown. As communities become more affluent, the proportionate ownership of cars increases. And so does the vehicle-miles driven.

### **Conclusions**

Economic considerations often are used to justify a modest approach to replacing or building new infrastructure, which is not inappropriate in many cases. But careful planning and design, along with creative financing and funding tools can often accomplish outcomes thought to be impossible. Employing an assortment, but integrated mix, of financing options, for example, can sometimes overcome intransigent obstacles like recessions and low-capped tax rates.

Bend is an attractive and vibrant place to live, which is one of the main reasons it is growing. It is important to support this growth with quality infrastructure that is designed with a clear view of future needs, and then commit to preserving it.

Thank you for considering these issues in your efforts to update Bend's Transportation System Plan.

David Light