

MEASURE 26-218 – Metro Transportation

Ballot Title: Funds traffic, safety, transit improvements, programs through tax on employers.

Question: Should Metro fund roads, transit, safety improvements, bridge repair, transportation programs by establishing tax on certain employers (0.75% of payroll)?

Financial Impact: Beginning 2022, a tax not to exceed 0.75% will be imposed on certain employers on the wages paid by the employer to individuals who perform services in the Metro area. Employers with 25 or fewer total employees, and state and local governments, are exempt from paying the tax. This payroll tax is the sole funding mechanism of the plan described in this measure, which Metro calls “Get Moving 2020,” and would generate roughly \$250 million a year for 20 years, totaling \$5 billion. Metro expects to leverage this funding for an additional \$2 billion of federal or state funding for projects. The Metro Council will set the specific rate and may start the rate lower than 0.75% for the first year. If the Council determines a rate increase is needed, they may increase the rate not more than once per fiscal year not to exceed 0.75%.

Probable Results of a Yes Vote: A Yes vote will implement a payroll tax to pay for Metro’s plan. Get Moving 2020 includes safety, transit, traffic, and other transportation improvements and programs along roadway and transit corridors throughout the Metro area. The plan supplements, but does not replace, existing federal, state and local funding sources.

Probable Results of a No Vote: A No vote will not implement a payroll tax to fund Metro’s Get Moving 2020 plan. Metro Council will maintain current funding sources for transportation improvements. Projects will not be completed as proposed, and the programs will not be funded.

Background: As the organization authorized by Congress and the State to coordinate and propose regional transportation investments in the tri-county area, Metro works with counties, cities, and the federal government to provide long-range planning and improve public transit. For the past 18 months, the Metro Council and its Transportation Funding Task Force, a group of 30 business, community, and elected leaders, developed transit projects to make many of the region’s most well-used corridors safer and more efficient and reliable; Metro also conducted community forums, discussion groups and online surveys, all of which drew several thousand participants. In addition to the corridor projects, 10 programs were also developed to support the plan’s overall goals, which are to:

- Improve safety for everyone;
- Prevent displacement of, and benefit, communities of color;
- Make it easier to get around;
- Address climate change and support resiliency from disasters and emergencies;
- Support clean air, clean water, and healthy ecosystems;
- Support economic growth;
- Increase opportunity for low-income Oregonians;
- Leverage regional and local investments.

The proposed plan includes \$5 billion in capital transportation corridor investments and region-wide programs over 20 years. The plan is also expected to leverage \$2.84 billion in additional funding from federal, state, local and other sources.

Measure Summary:

If approved by voters, a payroll tax up to 0.75% will be applied to businesses with over 25 employees, excepting state and local government, beginning in 2022. This new business tax is expected to raise an estimated \$250 million a year for 20 years. The funds will go to implement the plan.

Get Moving 2020 identifies 17 corridors for transportation improvements with approximately 150 projects that prioritize traffic safety, transit efficiency, mobility, and reliability for all transportation modes on roads and transit corridors. Corridor improvements include but are not limited to:

- rapid bus network;
- light-rail transit line;
- bridge repair, replacement;
- sidewalks, pedestrian crossings;
- signal upgrades.

The plan also identifies 10 programs that prioritize safety, access to transit, racial equity, and community stability.

Details of the plan and its projects are available on Metro's [website](https://oregonmetro.gov/transportation) (<https://oregonmetro.gov/transportation>).

The identified corridors and programs are:

Corridor Funding

- Southwest Corridor Max line (\$975M)
- McLoughlin (\$230M)
- Clackamas to Columbia/181st (\$150M)
- Sunrise/Hwy 212 (\$240M)
- Highway 43 (\$70M)
- Tualatin Valley Highway (\$700M)
- SW 185th Ave (\$190M)
- Pacific Highway 99W (\$5M)
- Highway 217 (\$18M)
- Highway 26 (\$1M)
- 82nd Ave (\$540M)
- Burnside (\$370M)
- Central City (\$970)
- 122nd Ave (\$100M)
- 162nd Ave (\$110M)

- Albina Vision (\$65M)
- Powell (\$110M)

Programs Funded Annually

- Safe Routes to School
- Safety Hot Spots
- Thriving Main Streets
- Anti-displacement Strategies
- Housing Opportunity
- Regional Walking and Biking Connections
- Bus Electrification
- Youth Transit Access
- Better Bus
- Future Corridor Planning

Metro will develop agreements with state, regional, county, and city governments for funding and delivery of the plan's improvements. These government agencies will be responsible for the design, construction, and overall delivery of the projects with Metro oversight. Metro will manage all aspects of implementation of Get Moving 2020, including requirements for public engagement, accountability, and transparency in development and implementation. An independent oversight committee will evaluate progress in implementation and submit an annual report. Independent financial audits will be required.

Supporters Say:

- Get Moving 2020 will make it safer, easier and more affordable to get to jobs, services and other destinations, while benefiting people with lower incomes and communities of color.
- This plan will connect people to opportunity via more reliable transit, deepen community stability, and improve access to affordable housing near improved transportation.
- This plan has the potential to create tens of thousands of direct and indirect jobs, helping the region to recover from the economic damage caused by the COVID pandemic. Transportation investments have been critical to every economic recovery since the Great Depression because they bring jobs in the short term and build the infrastructure needed for future prosperity.
- We need to boldly fight climate change, and this plan will reduce the pollution that causes climate change by investing billions of dollars in bus efficiency improvements and electrification, new and updated MAX light rail service, and projects that make it easier to walk and bike.
- The investments in this plan leverage and support investments by local, regional, state, federal, nonprofit and private partners in transportation, affordable housing, parks and nature, and other key community priorities.

Opponents Say:

- The global COVID-19 pandemic has changed everything, and Oregon is now in a severe economic downturn. Furthermore, businesses are also absorbing the new state Commercial Activities Tax, increases in the Portland Business License Fee and Multnomah County Business Income Tax, and the new Portland Clean Energy Fund gross receipts tax. Businesses cannot afford another tax.
- Metro's multi-billion-dollar transportation package does virtually nothing to reduce greenhouse gas emissions. Spending \$5 billion reduces Portland's transportation greenhouse gases by only 0.05%. This package costs \$50,000 per ton in reduced greenhouse gas emissions. (The current "social cost of carbon" is roughly \$50-\$100 per ton.)
- This plan is really a "smattering of small transportation projects" and the big centerpiece project is funding the extension of MAX light rail from Portland to Bridgeport Village. Such an expenditure makes no sense when MAX ridership has been dropping since 2012 and now, amid the pandemic, is down 70% from last July. With more people working from home and worried about social distancing on public transit, more light rail is the wrong project at the wrong time.
- Portlanders already pay two transit taxes: the TriMet payroll tax, assessed on employers; and the statewide transit tax, collected from employees' paychecks, that was adopted by the Legislature in 2017. Most people don't benefit from either one, because they don't use transit.
- If the Metro tax is approved, TriMet could bulldoze nearly 300 homes and up to 156 businesses for the right-of-way, according to its environmental impact statement. As many as 1,990 employees will be forced to leave the area, the analysis states.