

**CET Funding Sub-Committee**

**NOTES**

**October 18, 2013**

**9a-11:30a, 716 SW Evergreen Redmond, OR 97756**

---

**Members:**

Mike Riley (The Environmental Center), Chris Bellusci (COIC Board), Eric King (City of Bend), Ken Fahlgren (Crook County), Gary Farnsworth (ODOT), Joni Bramlett (ODOT), Karen Friend (COIC/CET), Wendy Holzman (City of Sisters), Alan Unger (Deschutes County/COIC Board), Jason Carr (City of Prineville), Dave Rathbun (Mt. Bachelor)

**Guests:**

Heather Richards (City of Redmond), Kim Curley (Commute Options)

**Staff:**

Scott Aycock (COIC), Tami Geiger (COIC)

**Action Items:**

- Revise and update local bonds list per committee comments.
- Provide each community with their cost for incremental service improvements including the cost for a marketing/outreach package at the next meeting.
- Alan Unger to update the committee on ORS 190 progress at next meeting.
- Scott to submit a draft letter to the Regional Solutions Team to Alan Unger and Gary Farnsworth for their review and comments.

**Welcome and Introductions**

Jason Carr opened the meeting. He explained that they would be trying to move the committee towards consensus on their four core questions: geography, governance, level of service, and funding tools.

**Committee Business and Updates**

Jason asked for any comments or questions about last meeting's minutes. There were no comments.

**Workshop Core Questions**

Scott Aycock explained that they were hoping to turn the corner from sharing and discussing information to developing consensus principles around the four core questions. He added that the process would likely run into the next meeting since there were quite a few committee members missing.

Scott explained that the meeting materials included an overview of their conversation to date about each of the four topics. He explained that he would direct the committee to review the appropriate portion of the handout to use the information as a leaping off point as they moved along.

Also included was an overview of local bond measures for Crook, Deschutes and Jefferson Counties that were set to mature in the next seven years. Members of the committee had mentioned that they wanted to see when bonds were expiring to target a year that could make sense for a public funding measure (replace an existing tax rather than adding a new one). Alan Unger commented that they will need to be aware of Measure 50, the \$15/\$1,000 maximum property tax

and the impacts of compression. He added that there were operating levies (ex. Redmond's Fire District) that were not included on the list. Scott explained that this was not an exhaustive list, but a general overview.

Karen Friend added that it was likely some of the taxes would be renewed, and there would be competing interests also looking to take over the expiring bonds. Alan responded that everyone would be looking at these to propose tax neutral funding for their organizations. Scott agreed and added that everyone would be keeping their plans close to the vest.

Jason commented that it would be important to know if the bonds are maturing for a May or November election. Ken Fahlgren commented that the COCC bond was included for Crook County but not for Deschutes County and that the dates may need to be extended.

**Action Item:** Revise and update local bonds list per committee comments.

Jason added that there were a number of the bonds that they could assume would be renewed. Eric King commented that there do appear to be a couple of capital bonds coming up in 2016-17 that could be redirected. Alan added that there is discussion of a tri-county treasurers meeting to get an idea (confidentially) of who may be interested in a ballot measure to replace those bonds.

a. **Governance/Geography**

Jason explained that the committee had discussed the geography of the transit system in previous meetings. He added that there was pretty broad consensus that the committee was interested in maintaining the regional basis of the service, but recognized that there might not be the same readiness to fund transit at the same time across the region. The committee had focused on the notion that Bend was more ready to fund transit, but the survey results did not indicate that Bend voters were ready to fund it.

Mike Riley supported the summary of findings to date and added that the varying level of service based on each community's ability to provide local funding was essentially how CET was currently operating. Alan added that they need a regional system in order to attract choice riders, and may need to be flexible with some capital to engage the rural communities (e.g. Prineville).

**Group Discussion Rough Notes:**

- Agreement on a regionally-based system
- Need to move from need riders to choice riders
- Capital needed to expand service in communities
- Transit district geography – could be Bend/Redmond then out of district service for the other communities
  - This is not technically regional governance because not everyone would have a seat at the table – somewhere between regional and local.
  - ORS 190 change could allow COIC to levy a property tax for transportation operations.
    - COIC board has regional representation already.
    - Any tax would still be subject to voter approval (not short term solution)
    - Karen Friend to present change to the Oregon Transportation Authority board
    - Alan Unger presenting to the Association of Oregon Counties
- Short term – 1-2 years while waiting to create a district, what is an interim solution?
  - A lot of competition for resources
  - Need funding to be more predictable
- Public would connect a district creation with inevitable taxes
  - Establishing without tax base means it would never have a permanent rate

- Would only be able to have 3-5 year operating levies
- TRIP97 – Agreement to bind the cities along 97 could be combined for transit
  - Part of a broader, multi-modal transportation package
- Strategy
  - Amendment to COIC articles of incorporation – currently include transportation – may need more specificity
- Ideal Governance
  - Need regional approach to benefit smaller communities (include entire geographical area that we want the service to reach)
  - Use COCC/St. Charles model – centralized with support facilities.
  - One rate/\$1000, Deschutes County would contribute the most and support building service everywhere.
  - COIC vs. Transit District governance is dependent on ORS 190 change
    - Pursue the option (get OTA Board working on it)
    - Interim – different communities buy different levels of service
  - If encompass the whole tri-county region in a district, try to provide service to as much of the area as possible. This would mean more rural service.
  - Preferred model – Regionally based, broad representation whether through COIC or a transportation district.

The group discussed pursuing a change in ORS 190 statute in order to allow COIC to tax for public transit operations. Alan explained that he had submitted the change to the Association of Oregon Counties and communicated with some of the chairs of committees that deal with transportation and got some positive results. They were getting prepped and ready for a Bill to be considered in the February session. Alan agreed to present his progress to date at the November 1 meeting.

**Action Item:** Alan Unger to present progress to date on the ORS 190 change at the November 1 meeting.

#### b. Level of Service

Scott summarized that both the public survey and the committee comments from previous meetings indicated that the community wanted a relatively robust transit system. However, they didn't want to pay for it. He encouraged the group to "vision" the ideal level of service they would want for each community.

#### **Group Discussion Rough Notes**

- Desire a robust system
- Need education and marketing for voters to understand the importance of transit
- Add resources/provide opportunity for choice rider model without going to the voters.
  - Need a choice rider system in order to change voter's minds
  - Bend needs transit – serve college campus and included in future planning.
  - Redmond – it's a resource discussion. Is it a priority need?
- Don't want to implement even cost neutral changes without enhancement to the stability of funding (Redmond fixed-route)
- Questions about resource availability
  - Redmond not sure what their service priority will be
  - Opportunity to approach with an incremental approach, include specific service outcomes to increased dollar amounts
    - Bring coalition of local partners to request support?

- Demand model

**Action Item:** Provide each community with their cost for incremental service improvements including the cost for a marketing/outreach package at the next meeting.

- Service needs to be flexible to demand
- Rural communities are going to need to decide what is important to them
- Grow from where need is greatest: Bend, Redmond
- Shuttles/Intercommunity service is very important
- Local service level dependent on local resources
- Bend has most potential for enhancing service at this time
- Service level for tourism
  - Broader/bigger picture needs
- Propose levels of service and their price tags to the rural communities
- Aspiration to improve service levels everywhere

Heather Richards commented that the City of Redmond was currently reviewing the draft Redmond Transit Plan put together by COIC in conjunction with Nelson Nygaard consultants. She explained that there wasn't consensus from the Planning Commission as to their support of the proposed service plans and that they would be launching a public process to gather opinions about transit in their community. She explained that they wouldn't want to go through the time and effort of conversion to fixed route without some sort of enhancement to the stability of funding. She added that there was a lot of support for the Community Connector system but the struggle was to identify what to do with the local system. Scott explained that the service plans proposed in the Regional Transit Master Plan were developed in response to public demand for a more efficient and convenient system. For this reason, fixed route is proposed in Redmond and flex route is proposed for Madras and Prineville.

Scott asked about the Planning Commission's time frame to make a decision. Heather responded that they would continue to discuss at the next commission meeting and the time frame was not yet defined. Joni Bramlett suggested that a potential best use of funds would be to convert to flex route in Redmond because they wouldn't have to provide ADA Paratransit. Scott responded that the rides per hour on the Dial-A-Ride system lent itself to fixed route; however, maybe flex route would make more sense in the current funding environment. Heather added that the fixed route service proposed in the Redmond Transit Plan was nearly cost neutral, but the problem was to add the service while funding remained unstable. They knew that they would not want to remove the service after it was in place and so didn't want to get stuck with something they couldn't pay for. Karen emphasized that Redmond needed a strong local system to support a strong Community Connector system.

Karen stated that CET had recently presented to the Bend MPO and they had decided to use an increase in funds to purchase fixed route buses over the next three years. She added that they emphasized their concern about the lack of marketing.

Eric King explained that the City of Bend, DLCD and ODOT were working together to determine the scope of their recently awarded TGM (Transportation Growth Management) grant that would focus on mitigating the effect of OSU Cascades in its proposed location. He added that they were in the early stages and have a 1-2 year timeline. Mike asked how it tied into the recently completed Bend Transit Plan (BTP). Scott explained that the BTP had a contingency for OSU-Cascades but it was in a different location.

Jason commented that Crook County had recently experienced a 5-7% increase in property revenue and may be interested in contributing for service in Prineville and the County. He explained that he would expect the response to be positive if COIC presented the City Council and County Court with a plan of options to increase their local service.

**c. Funding Tools**

The group elected to spend more time on funding tools at the November 1 meeting.

**a. Additional Items**

- i. Short term/Long term strategy**
- ii. Partnerships**

Dave Rathbun suggested that the short term funding solution would be partnerships with private entities, like Mt. Bachelor, OSU-Cascades and St. Charles. While the public sector has very finite resources, partnering with the private sector could give COIC the ability to leverage more funds. Also, there are larger entities that are non-profits (ex. St. Charles) that aren't contributing property taxes. It would be ideal to create binding/enduring agreements with those entities as partners.

**Group Discussion Rough Notes:**

- Get dedicated resources for partnership “salesperson”
  - How to create enduring relationships
  - Contracts
- Large employers that aren't engaged is a weakness
- Natural partners
  - COCC, OSU, private/charter schools
  - St. Charles
  - Tourism: Mt. B, Restaurants/Retail
  - Social Services
    - NeighborImpact (211 employee) - hold a quarterly meeting with organizations in their network.
  - Cities/Counties
  - Forest Service: summer recreation
    - Recreation assets/Wyden
  - Park access
  - Developers - Transit-oriented housing
    - SDC credit, in lieu pay into transit fund – reduce impact fees
- How to leverage current partners to bring in new investors
- Use established contracts (binding and enduring) with larger entities to demonstrate broader buy-in to the voters.
  - Show that they are also paying into the system.
  - How to hook those partners:
    - Amend agreements of impact fees imposed in coordination with a commitment to fund service.
    - Approach student organization at school
    - Approach with a proposition – they need a financially driven reason
      - Mt. B – save time/money/resources – good business to fund transit to the mountain
    - “move toward a partnership model”
    - Engage with organization like Eco NW – may come up with data of business impact
      - Corvallis uses a trip-generator/burden estimation for utility fee
    - Try partnerships first, then try utility fee?

- Becomes an infrastructure discussion when can serve choice riders
- Corvallis, ridership went up 40%.
- Tourism: bicycle tourism, resources at the state level
  - Travel Oregon
  - Return on investment, money coming into the region
- 2015: CET will need a three-year funding plan for local match for grant dollars
- Transportation Management Area
  - Have to pay
- Partnership opportunities directly relate to the level of service
  - Their needs require additional service, but CET is still challenged to fund the base service. (May not be interested in funding the base).

### iii. Outreach/Messaging

#### Group Discussion:

- Marketing needs to be for a “glossy” system
  - Running well, serves choice riders
  - Transit needs a salesperson
  - Need to empower people to represent the system
  - Outreach to partners is different than market
- Marketing + Outreach and Engagement
- CoverOregon campaign – doesn’t sell you anything, just education
- Engage students
  - Success story: REALMS students are filling up the bus, fundraising for their own stop.
- Go ride the system
- Outreach to understand obstacles to taking the bus
- Entities to help fund efforts like this
  - Money, commitment and strategy question
  - Enhance capacity to market
    - Public Transit is on list for Regional Solutions Team
    - ConectOregon is coming out, indirect way to market
    - Building Central Oregon resiliency – earthquake – increased population of 100,000 ppl. – Transportation Commission is asking ACT’s for their priorities.
    - CCO – Transformation engagement
      - Kaiser advertises on transit in Portland.
    - Kitzhaber Healthy Initiatives (Oregon Health Authority) group
- Marketing/Messaging
  - Kim Curley
  - Scott Aycock
- What is goal of marketing?
  - Building awareness of system
  - Good for the economy of Bend
  - What is our story?
    - Need to change the image of bad transportation.
  - Short term: change image to positive, build awareness

- Mid/long term: entice the choice rider as build level of service
- End goal: FUNDING
- Progression: fun awareness piece (Ride the River, up to Mt. Bachelor, etc), then get into more specifics about its benefits to employment, transit dependent, etc.
- Funding comes from compelling story
- Approaches – ODOT, Transportation Options funding from ODOT, OCF has granted entities for outreach/marketing/development, MMT.
  - Test Regional Solutions Team – bring it to them for dollars.
    - Email Annette Liebe with request for funding ideas, she is planning to attend the November 1 meeting.
    - Local government to step up

**Action Item:** Scott to submit a draft letter to the Regional Solutions Team to Alan Unger and Gary Farnsworth for their review and comments.

- Staff to come back with marketing cost proposal for consideration at next meeting
  - Request local contribution within that proposal.
  - Could use as match for foundation dollars.
  - Also, local foundation match to bring in national foundation dollars.
- Campaign strategy: balance media campaign with grassroots efforts
  - Multi-prong approach
  - Present to AdFed – is there a group of advertising/marketing professionals to support this?
    - Could approach next year.
  - Get local talent to own this campaign
  - With social media, public has become more savvy to messaging

### **Adjourn**

Jason adjourned the meeting. He explained that the next meeting would be a continued workshop about the four key questions (especially funding tools) on November 1.