

**CET Funding Sub-Committee**  
**NOTES**  
**September 20, 2013**  
**9a-11a, 716 SW Evergreen Redmond, OR 97756**

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**Members:**

Jason Carr (City of Prineville/COIC Board), Gary Farnsworth (ODOT Region 4), Jim Kirkbride (St. Charles), Jeff Monson (Commute Options), Jim Wilson (COIC Board), Victor Chudowsky (Bend City Council/COIC Board), Ken Fahlgren (Crook County), Wendy Holzman (City of Sisters), Joni Bramlett (ODOT), Pamela Norr (COCOA), Eric King (City of Bend), Mike Riley (Environmental Center), Scott Cooper (NeighborImpact)

**Guests:**

Tyler Deke (Bend MPO), Matthew Romero (COCOA)

**Staff:**

Andrew Spreadborough (COIC), Scott Aycock (COIC), Karen Friend (COIC/CET), Tami Geiger (COIC)

**Action Items:**

- Arrange with Moore Information for a conference call at the October 4<sup>th</sup> meeting.
- COIC staff to research local tax expiration dates and the opportunity to effect “no net increase” to local property taxes.
- COIC staff to develop a concept level strategy/plan for the short (1-3 years) and mid-term (3-7 years).
- COIC staff to provide information about payroll tax exemptions and cost to employers for payroll tax compliance, business rates for Corvallis’ utility fee and whether any of the districts also contribute from their General Fund at the October 4<sup>th</sup> meeting.

**Welcome and Introductions**

Jason Carr called meeting to order and thanked the City of Redmond for providing the meeting room for the Committee. He explained that this meeting would focus on survey results, budget scenarios, and governance options.

**Review Committee Purpose and Meeting Schedule**

Andrew Spreadborough reminded the committee that all meeting materials and information were posted on the website. He thanked Pamela Norr for accepting the invitation to the committee and stated that while committee composition had been a work in progress, staff felt that they had covered all of the interests and expertise. He added that there had been several conversations about how to best engage the business community. They decided to build-in deliberate outreach to the Chambers, EDCO and other groups to keep the business community informed and engaged. He added that they welcomed any questions or suggestions.

**a. Meeting Minutes – September 6**

Andrew explained that the September 6 meeting minutes were included in the materials packet and should be reviewed by anyone interested in the progress of the previous meeting.

**b. Outreach and Communications Update**

Andrew explained that staff had contacted the Cities and Counties to schedule presentations at Council and Boards of Commissioners meetings to engage them in the process. He added that he presented at last week's COACT meeting.

## **Phone Survey**

### **a. Final Survey Questions**

Jason explained that the committee had reviewed and discussed the survey questions at their September 6 meeting. COIC staff had preliminary results from the survey that were not very positive in terms of the ability to pass a ballot measure. He directed the committee to Scott Aycock to explain the survey findings.

Scott explained that the results showed people valued transit and thought it was important but did not want to pay for it. There was a lot of work to be done to improve the community willingness to pay. He added that they also tested different values to determine which messages the community was more receptive to. Also, since the results were preliminary, they didn't have detailed cross tabs (e.g. response by different income levels and party affiliation). For this meeting, they only had the region-wide responses by City.

### **b. Initial Topline Results**

Scott reviewed the findings summarized in the "Topline Survey Results – Summary" handout. He explained that "creating jobs" was the most important issue for voters region wide ("improving transportation" was only the most important for 7% of respondents). Jeff Monson asked whether the survey had referred to "transportation," "transit" or "public transportation." Scott clarified that the survey stated "public transportation" and later used the phrase "Cascades East Transit bus system." 79% felt that the area's public transportation system was "very" or "fairly" important.

System performance rated poorly, and most respondents thought that it needed improvement. Respondents cited "road construction" and "condition of roads" as the two biggest problems affecting their ability to move around. The lack of public transportation rated low on the list, but was higher than the percentage of current users in each community. This demonstrated that there were people who would use it if more service was offered.

He continued with the funding proposals. 51% of respondents preferred no new funding tool, including the 33% who preferred reallocation of general fund from other programs and services to pay for transit. 18% volunteered the response to not increase funding whatsoever for transit.

Mike Riley clarified that only registered voters had been surveyed. Scott confirmed that they only surveyed registered voters and added that they would have cross tabs on voting behavior of the respondents for the next meeting (regular voters vs. registered but don't vote, etc). Joni Bramlett asked about the response rate and how many people declined. Scott answered that he did not know the response rate but they completed 400 surveys in Bend and Redmond (a plus/minus 5% margin of error) and 200 in Madras and Prineville (plus/minus 8% error). He added that they wanted to thank ODOT and the City of Bend in particular for funding the survey.

Scott explained the different property tax measures. The survey asked about a \$.20/\$1000 property tax that would fund Scenario B (sustains current service, switches Redmond to a fixed route and Prineville and Madras to flex route). They also asked about a \$.35/\$1000 property tax that would fund Scenario C (additional routes in Redmond and Bend, and other additional services). For ease and brevity the wording of the question was whether they would support \$.20/\$1000 tax to "sustain" transit, or a \$.35/\$1000 tax to "sustain and improve" transit (the \$.35 question was asked first). He explained that no one was interested in adding to their bills. The \$.35 failed very clearly across the board, but the \$.20 did better. The \$.20 did the best in Madras but still failed everywhere.

The utility fee, which was presented at \$2.75 per month, or a total of \$33 per household per year, did worse than the \$.20 property tax but better than the \$.35. Jim Kirkbride clarified that they did not yet know the percentage of renters and

owners. Mike Riley asked how much \$2.75 per household would generate. Scott explained that it was hard to estimate because there was a sliding rate scale that would be applied to businesses. However, preliminary estimates did not show enough revenue to cover Scenario B. He added that the utility fee could only be levied at the City level, whereas a property tax could be wherever the lines were drawn.

Scott moved on to the messaging questions. He explained that the respondent's number one value was to provide transit service to those who had no other options. He added that across the board, people felt that transit should be a substantial service (98% agreed or strongly agreed) compared to a minimal service. However, they did not want to pay more for it. Scott added that it was interesting that the numbers were slightly worse than last year when the survey showed it would have passed in Redmond and almost passed in Bend. Eric King agreed that it was odd since the economy had improved. Karen Friend explained that there had been service reductions. Eric added that there weren't any service reductions in Bend, and the voter opinion had decreased there as well.

Jeff suggested that the survey consultants be on the phone on the next meeting to explain the more in depth findings.

**Action Item:** Arrange with Moore Communications for a conference call at the October 4<sup>th</sup> meeting.

Scott Cooper added that he had taken the survey and that it had unfortunately come on a Saturday after assessors had been talking about property tax going up 20%. He thought that the survey design was frustrating because he wanted to offer different options and have more open ended dialogue but felt he was being pushed into a box.

Andrew asked Eric to share how the results aligned with the surveys completed by the City of Bend before the last ballot measure. Eric explained that they conducted a survey in February/March 2008 prior to the November 2008 vote that showed it would pass by a narrow margin, but it failed by a small margin. He attributed this to limited outreach and the economy tanking. Victor Chudowsky commented that the message seemed positive that people wanted a robust system. Scott added that respondents only had that response when there was no money attached to the question. Karen added that it was positive to think that respondents thought they would use a more substantial system.

Jason emphasized the need for advertising and marketing in order for the broad community to have knowledge of and understanding of the system. He gave the example of Lane Transit that is in the forefront of consumers in Eugene. Joni added that they need to educate the community about the cost of transit and that the government subsidy is not enough to fund a robust system.

Karen commented that the survey results were consistent with the feedback from the Regional Transit Master Plan public meetings. Andrew added that COIC staff recognized the need to tell the story to the community but that it may take longer than they thought to convince them to pass a local fund. Jason asked what percentage of rides was for employment. Karen replied that 70% were for education or employment. Eric followed up asking what percentage was transit dependent. Scott said it was hard to estimate exactly but 90%+ of CET riders were transit dependent. Eric added that it was difficult to think of a large marketing campaign for such a meek system. He was unsure whether they could attract choice riders because of the long headways and minimal coverage. Karen added that failing to market was a common problem for transit systems around the state.

Mike suggested that the marketing campaign focus specifically on what the voters would get for their money. He emphasized that voters would feel a new property tax was "another blank check for the government" unless they were presented with a story to connect to. Joni added that anecdotal evidence about specific individuals becoming more independent could be a strong message.

Wendy Holzman commented that it would be a harder sell in the more rural areas where there was barely a service to access. However, she added that if they marketed it as an important service for seniors, it may be enough to appeal to the sentiment of the community. She was unsure at this point.

Gary Farnsworth suggested approaching transit as a solution to a problem that would impact quality of life significantly if it didn't exist. Jim Kirkbride suggested researching different taxes that may expire and trying to replace them with the ones for transit (transference rather than introducing something new). The committee agreed that it was a good strategy. Eric said he believed there was a Fairground bond that expired in 2016 for Deschutes County, Ken Fahlgren added that there may be a Library bond expiring in 2018 in Crook County.

**Action Item:** COIC staff to research tax expiration dates and opportunities to effect no net increase to property tax payments.

Andrew suggested selling the benefit of freeing up the General Fund. Victor responded that voters may not react well because it sounded like a ploy for the City to get more money. Pamela Norr asked how the new OSU Cascades campus could impact the funding and demand for the system. Scott responded that OSU Cascades presented an opportunity and an enormous challenge to the transportation system in Bend. He added that OSU contributed \$130,000 to the system in Corvallis which was very low (they would pay upwards of \$1 million if they were taxed like a similarly sized business but that payment was the result of a mediated agreement with the transit service). He added that the opportunity for a student pass program and a variety of other group pass programs could augment funding for the fixed route system in Bend.

Jeff commented that campaigns for police, fire and schools were successful because they appealed to the sense that everyone would need the service at some point. Jason responded that it was all about messaging. If the regional priority was job creation, and 70% or more riders use the service to access employment or job training than that is a clear and important correlation. The message can appeal to the importance of self-sufficiency and the ability of someone to get a job and have transportation to that job. Scott agreed that self-reliance and empowerment were important messages associated with transit in the region.

Scott Cooper suggested considering a hybrid model for funding that incorporated a few funding options, including a property tax and a utility fee. He expressed that part of his irritation with the survey was because he wasn't convinced that passing a property tax would improve service in his community. Many people may have felt that it would just be used to improve Bend's service. Gary added that they had considered a hybrid funding model for TRIP97. Eric explained that they had considered using IGA's and MOU's in place with agencies affected by US 97 as existing funding sources. Also they had considered income tax sequestration, similar to urban renewal. Scott Aycock explained that partnerships would be important but that they needed backbone funding. Karen explained that it was a chicken and egg scenario because the partnership opportunities for the rural areas could not be developed while service was so limited and they could not expand service without the partnerships.

Jim Kirkbride asked if parking and traffic were painful enough for people to want to use transit. Scott Cooper responded that what the group should focus on was that 66% of people wanted a robust system. Rather than focusing on problems or outside detractors to using the system, they should focus on how to fund and develop a robust system.

Andrew commented that he did not want to lose track of the political calculation and strategizing. Jason suggested that COIC staff coordinate with other public agencies to see if they were considering a ballot measure for transference from one that is expiring shortly. Eric added that this committee should hone in on what they want transit to look like. They should use the work done for the RTMP and Bend TMP and pick a level of service marketable and attractive. Scott Aycock agreed that it would be valuable for the committee to develop a simple vision and mission for service and noted that COIC had had some conversations with the Bend MPO about funding a vision.

Mike asked if there was any way to begin offering service at Scenario B without going to the voters. This level of service would be more demonstrable to the community and they could work on building the presence of the system before proposing a ballot measure. He suggested a short term plan to get the community ready for a vote (maybe 3 years) and then the vote would be more along the 5-7 year timeline.

Gary shared that CET was not going to be able to offer service at Project Connect this year because of funding shortage. This caused some anger and frustration with the planning committee, but the end result was they found a way to provide funding. He added that they may need to let the pain and failure happen for the community to respond with a willingness to fund.

Andrew suggested that COIC put together a strategy/plan that demonstrated the intermediate steps before it would be taken to a vote. Jason asked about the time frame for developing the time line. Andrew responded that they could put something together (at the concept level) by next meeting.

**Action Item:** COIC staff to develop a concept level strategy/plan for the short and mid-term.

[Note: Scott Aycock recorded comments made during the above portion of the meeting on flipcharts which are reproduced at the end of these notes]

### **CET Budget and Service Scenarios Review**

Scott referred to the “DRAFT CET Funding Tools and Rates” handout. He explained that it was an analysis of scenarios and the funding tools that could be used to support them. He explained that he did not include Scenario A because the current service level and funding structure are already in place. The estimated local funding required for each Scenario assumed no contribution from contract income, STF or BETC for simplicity.

Scott explained that they could achieve funding for Scenario B with a tri-county wide \$.17/\$1000 property tax. The Utility Fee was more difficult to extrapolate because there is a sliding scale for businesses and staff are still awaiting spreadsheets from Corvallis. A rough calculation estimated that the Cities of Bend, Madras, Prineville and Redmond would need to apply 157% of the Corvallis fee to support Scenario B. Scott continued to the payroll tax and explained that he arrived at the figures based on the total payroll for each County. He was unclear whether the Confederated Tribes of Warm Springs would pay into the Jefferson County pot. Eric asked which businesses were exempt from the payroll tax. Scott did not know but agreed to come back with additional information. Joni suggested contacting the Department of Revenue for more information about payroll tax collection. Scott Cooper commented that there would be a cost of each business to comply with paying the tax that should be considered. The Committee commented that many of the property tax rates were very low (Hood River and Lincoln County), but this meant that they had limited service (rural dial-a-ride only)

**Action Item:** COIC staff to provide information about payroll tax exemptions and cost for employer compliance, business rates for Corvallis’ utility fee and whether any of the districts also contribute from their General Fund at the October 4<sup>th</sup> meeting.

### **Overview CET Governance Models**

Andrew reviewed the “CET Governance Option Overview” handout. He explained that the intent was to explain the different governance models and that it may be revised or updated over time. He began with the Mass Transit District (MTD) that can only be formed in areas with a Metropolitan Statistical Area (Deschutes County or the City of Bend could form a Mass Transit District). He added that there were different ways of forming an MTD that would require voters to approve the type of funding mechanism. MTD’s have a Governor appointed Board of Directors and would be a new entity.

Andrew continued to explain the Transportation District which is more common in smaller cities, is generally narrower in its powers, and has more flexibility and few limitations on the district boundaries. He added that Bend’s last vote was to create a Transportation District. He explained that Board members would be directly elected and any District boundary changes would require voter approval.

The third model was the status quo of governance by the COIC Board. He explained the opportunity to make a change to ORS 190 that currently allowed COIC to fund transportation facilities through an ad valorem property tax or general obligation bond but did not include transit operations. He added that COIC staff was exploring the opportunity to revise the statute. Without the change, the funding mix would be the status quo (General Fund, contract income grants, etc).

Andrew explained the County Service District which is a flexible entity with its boundary limited to a single county. This may require CET to have multiple service districts. Each County Service District would be governed by its individual County Court/Board of Commissioners. The last model – “Community Level, City Governance” would allow the Cities to tailor their own solution without regional coordination. He stressed that one of the great strengths of CET was its ability to operate as a single regional economic unit. He added that the Community Connector shuttles may be lost in a community to community approach, which would be unfortunate because commuting and commuter demand is so high. He explained that the utility fee could be used to generate income for any of the models but it would have to be applied at each city level.

Victor asked whether the contract labor for the City of Bend system or the in-house labor was more expensive. Karen explained that the contract labor cost was much higher than in-house for a long time but that the recent healthcare cost increase had made the hourly rates much closer. She added that they have an RFQ out for the contract labor for Bend because the five year contract is nearly up. Victor asked if all of the labor could be contracted. Karen explained that they were currently in union negotiations for rural service so it couldn't be contracted right now but could be after labor negotiations were complete. Scott added that there were not any governance implications for contracting labor or operating it in house. Victor asked if the same union that represents the City of Bend drivers was currently in negotiations with the COIC rural bus drivers. Scott and Karen confirmed that was correct, only the non-Bend drivers were in negotiations.

Jason asked whether they could have a hybrid model for governance (for example, an MTD for Deschutes and COIC providing rural service to Jefferson and Crook Counties). Andrew answered that multiple governance options was an option; however, there were challenges in working between multiple entities. For example, who pays for the community connector between two cities? Mike suggested that Bend and Redmond could form a district and the other cities could contract with them to provide service. This could give them the opportunity to grow before they joined the district. Karen responded that CET/COIC was able to apply for grant funding for the region and spread the funds equitably. However, if the Cities organize individually, they would compete against each other for the dollars. Eric suggested that competition could be avoided if everyone contracted back to the district. Joni added that COIC was able to get a better match rate because it provided service to the entire region. Cities like Sisters and La Pine would have to work out how they could provide the match for their grant dollars.

Scott asked whether the group would like a criteria or set of principles to help guide decision-making. Eric suggested that they stick to the four original questions they set out to answer. Jason agreed.

Jason announced that the next meeting would be October 4<sup>th</sup> from 9a-11a and Alan Unger would be the chair.

The meeting adjourned at 11:02am.

FLIPCHART NOTES ON THE NEXT PAGE

## All Flipchart Comments from Survey Findings Discussion Session:

- The survey came after county assessors announced increasing property taxes
- The survey didn't have enough funding options or options for open-ended responses
- The last transportation district effort in Bend failed because it was a poor campaign and because the economy tanked.
- The average citizen can actually use a more-substantial system than what we have now (would find it more relevant to them).
- Lack of transit marketing here
  - Much more messaging elsewhere
  - People should understand that fares plus existing government subsidies cannot fund a good system
  - Elsewhere transit is much more integrated into community awareness
- Need to define the problem better
- The system doesn't currently attract choice riders
- Need more specificity of what people will get = more support
- Need to message/sell
- Use anecdotal stories
  - Personal
  - Benefits that transit provides people
- People do generally support the "goodwill" elements of transit
- Demonstrate the need/importance – to the transit dependent
- Prineville voters just agreed to support an existing tax
  - Not a new tax
  - Make the case about what could be funded out of general fund in Bend if not being used for transit?
  - Fairground bond is expiring in Deschutes – 2016
  - Library bond is expiring in Crook County – 2018
- What are the impacts of OSU-CC? What are their needs?
- Fixed-route service is needed to develop partnerships (don't have capacity to meet needs nor ease of use on DAR)
- Chicken and egg situation – transit needs to be good to have buy-in – how develop buy-in without good service?
- Police, fire, and schools aren't necessarily used by everyone either
  - How make transit be seen as "essential" also?
- Need to make the jobs connection – access to jobs and school
- Empowerment and self-reliance aspects of transit are an important message
- What about a hybrid model, combining a lower property tax and utility fee?
- Trip 97 approach – funding and governance structure:
  - Use existing agreements
  - SDCs and other existing sources; potentially income tax capture
- Lack of "pain" to SOV drivers – plenty of parking and no parking fees
  - Transit needs complementary land use and infrastructure policies to thrive
- A note on partnerships – CET *can* create partnerships in rural areas to develop services that are desired (example is PEP/COCC/CET partnership to develop a short fixed-route in Redmond to COCC area)
- Consider a short-term and long-term strategy?
- Allow people to lose service and experience the pain?

## Big Picture Flipchart Comment "Themes"

- **Messaging and marketing need to be improved**

- **We have a difficult chicken and egg situation to deal with**
- **Should service support transit dependent or choice riders?**
  - **Members and the public seem to want a robust system**
- **Should we be promoting a mixed funding/hybrid model?**
- **Need to better understand the political calculation of other measures expiration, etc.**
- **Must develop a simple, compelling vision for the system**
  - **In association with marketing**



# MOORE INFORMATION

OPINION RESEARCH • STRATEGIC ANALYSIS

September 27, 2013

TO: Scott Aycock and Karen Friend, COIC  
FROM: Robin Kreger, Moore Information  
RE: Central Oregon Voters and Transportation Issues

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## Methodology

*A total of 1,150 live telephone interviews were conducted among representative samples of voters in four Central Oregon cities, including: N=400 interviews in Bend; N=400 in Redmond; N=200 in Prineville and N=150 in Madras.*

*The region-wide N=1,150 interviews were weighted to actual voter population of the four city area. Landline and cell phone interviews were conducted September 12-17, 2013.*

*The sampling error associated with each survey follows:*

*Plus or minus 3% at the 95% confidence level for N=1,150.*

*Plus or minus 5% at the 95% confidence level for N=400.*

*Plus or minus 7% at the 95% confidence level for N=200.*

*Plus or minus 8% at the 95% confidence level for N=150.*

## Summary and Highlights

### Overview

The transportation funding measures tested in these surveys are unlikely to pass in the Central Oregon region, or in any of the four individual cities, as economic factors weigh heavily on voters' minds and lack of public transportation is not a salient issue.

- Overall, the current issue priority region-wide is "creating jobs" (the top issue for 54%), distantly followed by "improving public education" (20%). "Improving public transportation" is the most important issue for just 7% of respondents in the region.
- It is important to note that a significant percentage of voters don't know how to rate their area's public transportation system, with 30% having no opinion region-wide (28% no opinion in Bend, 36% Redmond, 34% Prineville and 31% Madras).
- Further, lack of public transportation is not a leading issue for respondents region-wide, nor is it in any of the four cities.
- The fact that most voters are not concerned about "lack of public transportation" in their transportation routines as well as the high percentage of voters who currently have no opinion about public transportation in their own community is reflected in the lack of enthusiasm for the funding measures tested in the survey.

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### Funding Options

When given the chance to choose a preferred funding option for public transportation expansion and improvements, fully 52% of the region's voters prefer no tax or fee increases (this includes 33% who prefer "re-allocation of funds from programs and services" paid for by their city's general fund and 18% who prefer no increase).

Looking specifically at a potential property tax increase, the survey tested two funding levels; a 35-cent per thousand/assessed value and a 20-cent option. Neither property tax option would be approved in an election held today, and the less expensive option would also face an uphill battle to pass in the near future, at least while economic issues are foremost on voters' minds and public transportation is not perceived as a major problem.

The survey also explored a potential utility fee option to fund transportation, described to respondents as a "\$2.75 per month utility fee, totaling \$33 per year." This funding option is unpopular and generates majority opposition region-wide and among voters in all cities.

### Messaging and Moving Forward

The most effective message in generating support for a property tax increase for public transportation overall is:

*"Improving public transit in [CITY] will provide services for area residents who are disabled or elderly or are lower income who depend on transit service."*

This message is rated "very" important in transit funding voting decisions by more than 50% of all voters, region-wide and by city. This message has potential to be leveraged in future COIC communications, including potential marketing and outreach efforts.

Further, region-wide, voters are more likely to agree that public transportation should be "substantial," rather than "minimal."

*"Public transportation in the [CITY] area should be substantial. Public transportation is an important element for encouraging the area's economic growth, and plays an important part in reducing traffic congestion and our area's environmental impact."*

COIC communications should leverage the following groups' support for "substantial" public transportation into willingness to vote for funding measures for public transit: Bend residents, women, voters age 18-64, Democrats, Independents, voters who have voted in three or fewer of the last four elections and public transit supporters.

More survey details follow.

### **Most Important Issue**

Overall, the current issue priority region-wide is "creating jobs" (the top issue for 54%), distantly followed by "improving public education" (20%). "Improving public transportation" is the most important issue for just 7% of respondents in the region. Additional responses include "reducing crime" (6%) and "protecting the environment" (5%). Another 5% say "something else" is the most important issue and 3% have no opinion. Creating jobs is the current issue priority among all subgroups region-wide.

- "Creating jobs" is the most important issue among voters in all four cities and "improving public transportation" is not a top priority anywhere (7% say improving public transportation is most important in Bend, 7% in Redmond, 2% in Prineville and 6% in Madras).

## Transportation Issues

Fully 79% of voters believe that their area’s public transportation system (identified primarily as Cascades East Transit bus system) is important, including 47% who say it is “very” important. Another 13% say it is “not very important.” Just 5% say it is “not important at all” and 3% have no opinion. There is majority agreement among all voter subgroups in the region that the area’s public transportation system is important.

- These results are consistent across all cities, with wide majorities considering the public transportation system important (81% important in Bend, 70% Redmond, 78% Prineville, 82% Madras).

When it comes to rating their area’s public transportation system on a scale from excellent to poor, voters in the region are not impressed, with just 14% giving an “excellent/above average” rating, 33% saying “average” and 23% “below average/poor.” Importantly, a significant percentage of voters don’t know enough to rate their area’s public transportation system, with 30% having no opinion region-wide. Subgroups least likely to know enough about the transportation system to have an opinion include: seniors, Redmond residents, voters who say public transportation is not important and voters who are undecided on a potential property tax increase and potential utility fee.

- Sentiment is consistent across all cities, with no more than 16% giving a combined “excellent/above average” rating (15% excellent/above average in Bend, 11% Redmond, 12% Prineville, 16% Madras). And similarly, significant percentages of voters in each city don’t know enough about the system to have an opinion (28% no opinion in Bend, 36% Redmond, 34% Prineville and 31% Madras).

From a personal standpoint, the two biggest problems voters have when traveling from one place to another in the region are “road construction” (23%) and “condition of roads/potholes/dangerous roads” (20%), followed by “congestion” (17%). Other perceived problems include “don’t drive or have access to a car” (6%), “lack of public transportation” (5%) and “lack of certainty about the time it will take to get there by car” (2%). Another 15% give an unspecified response and 13% have no opinion.

The biggest perceived problem(s) differ by city, but lack of public transportation is not a top concern anywhere. Bend voters are most concerned about construction and condition of roads, Redmond voters are most concerned with construction, Prineville voters say congestion and Madras voters are concerned with condition of roads. The following table illustrates these results.

**Biggest Transportation Problem**

	<b>Region-wide</b>	<b>Bend</b>	<b>Redmond</b>	<b>Prineville</b>	<b>Madras</b>
Road construction	23%	20%	42%	4%	3%
Condition of roads, potholes, and dangerous roads	20%	22%	12%	8%	26%
Congestion	17%	19%	8%	19%	18%
Don’t drive/have access to a car	6%	6%	2%	6%	7%
<b>Lack of public transportation</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>8%</b>	<b>7%</b>
Lack of certainty about time	2%	2%	1%	2%	2%
Something else	15%	13%	14%	25%	21%
Don’t know	13%	12%	15%	27%	15%

## Funding Proposals

When given the chance to choose a preferred funding option for public transportation expansion and improvements, fully 52% of the region's voters prefer no tax or fee increases. This includes one-in-three (33%) who prefer "re-allocation of funds from programs and services" paid for by their city's general fund and 18% who prefer no increase (this was a volunteered response to this question). Among those who would be open to some type of funding option, 14% prefer a city-wide sales tax on prepared food and beverages, followed by a property tax increase for homeowners (9%), increased payroll taxes for businesses (6%) and a utility fee for homeowners and businesses (5%). All voter subgroups prefer re-allocation/no increases over any of the funding options.

- Similarly, re-allocation/no increases is the leading preference among voters in all cities. Redmond and Prineville residents are most likely to share this sentiment (63% Redmond, 63% Prineville), but a plurality of voters in Madras and Bend are also opposed to any type of increase (49% Bend, 47% Madras).

In a follow-up question, voters were asked why they preferred the option they chose. The leading response for choosing re-allocation of the existing general fund dollars was "too many taxes/can't afford taxes." There is less consensus for preferring the other options:

- Those who prefer a property tax increase say they are "in favor of property taxes," "it's fair," "it's the "best option" and "transportation is necessary."
- Those who prefer a utility fee say "everyone should be taxed equally," "it's fair," "homeowners shouldn't have to shoulder the whole load" and it's the "best option."
- Those who prefer a sales tax on prepared food/beverages say "tourists should/will also contribute," "in favor of food/sales tax," it's the "best option" and "everyone should be taxed equally."
- Those who prefer an increase in payroll taxes say "transportation is necessary," "businesses should pay for it," "funds are not spent properly," "oppose a property tax," "don't want them taking money from schools" and "too many taxes, can't afford taxes."

Looking specifically at a potential property tax increase, the survey tested two funding levels; a 35-cent per thousand/assessed home value and a 20-cent option. Survey results reveal that neither property tax option would be approved in an election held today and the lower option would also face an uphill battle to pass in the near future, at least while economic issues are foremost on voters' minds and lack of public transportation is not perceived as a major problem.

### 35-Cent Option

Region-wide, two-in-three voters (67%) would vote no on the 35-cent option, including more than half (54%) who would “definitely” vote no. Just 27% would vote yes on this option, presented as follows:

*“Would you vote ‘yes’ to support or ‘no’ to oppose a property tax increase of an additional 35 cents per thousand dollars of assessed home value, or*

*BEND= \$88 per year on a \$250,000 home  
REDMOND= \$70 per year on a \$200,000 home  
PRINEVILLE= \$61 per year on a \$175,000 home  
MADRAS= \$53 per year on a \$150,000 home*

*to sustain and improve transit service levels in [CITY]?”*

All voter subgroups across the region are opposed to this funding option. The strongest support for this option comes from voters age 18-34, Democrats and “transit supporters.” (“Transit supporters” include voters who say improving public transit is the most important issue in their city, say public transit is “very important,” rate local public transit as “excellent/above average” and voters who say a lack of public transit is their biggest personal transportation problem.) However, support among any of these groups does not reach a majority.

- By city, the 35-cent option faces majority opposition among all four cities (67% opposed in Bend, 68% in Redmond, 71% in Prineville and 57% in Madras).

### 20-Cent Option

A 20-cent property increase option is also opposed region-wide, with 54% opposed (including 44% who are “definitely” opposed) and 42% in support (just 13% “definitely” support). The language for the lower cost option follows and was asked among voters who said “no” or were undecided on the 35-cent option. Results among these voters were then combined with the “yes” responses on the 35-cent option to get overall results (it is assumed that “yes” voters on the 35-cent option would also support the lower amount).

*“Instead of 35 cents, would you vote ‘yes’ to support or ‘no’ to oppose a property tax increase of an additional 20 cents per thousand dollars of assessed home value, or*

*BEND= \$50 per year on a \$250,000 home  
REDMOND= \$40 per year on a \$200,000 home  
PRINEVILLE= \$35 per year on a \$175,000 home  
MADRAS= \$30 per year on a \$150,000 home*

*to sustain transit service levels in [CITY]?”*

As with the 35-cent option, the most supportive of the 20-cent option are voters age 18-34, Democrats and “transit supporters.”

- By city, Bend, Redmond and Prineville voters are opposed to the lower amount in majority numbers (54% opposed in Bend, 56% Redmond, 59% Prineville). However, in Madras, voters are divided on the 20-cent option (47% yes, 49% no). Among the most supportive subgroups in Madras are women, younger voters, Democrats and “transit supporters.”

The following table illustrates results for both cost options.

### Potential Property Tax Increase

	35-Cent Option			20-Cent Option		
	Yes	Don't know	No	Yes	Don't know	No
<b>Region-wide</b>	27%	6%	67%	42%	4%	54%
Bend	26%	6%	67%	41%	4%	54%
Redmond	26%	6%	68%	41%	3%	56%
Prineville	25%	4%	71%	39%	2%	59%
Madras	35%	8%	57%	47%	4%	49%

After the property tax increase options were tested, the following additional information was presented to respondents:

*"Here is some more information about a potential property tax increase, as you may know, the final amount of the proposed property tax has not been determined.*

*A 35-cent property tax increase would allow for public transportation improvements throughout your area, including increased bus routes, hours and frequency; expanded weekend service and expanded shuttle service between Central Oregon cities.*

*A 20-cent property tax increase would maintain current public transportation service levels only, with no improvements.*

*Based on this, do you prefer a 35-cent property tax increase option or a 20-cent property tax increase option?"*

Based on this additional information, there is no consensus among voters overall; 28% prefer the 35-cent option, 31% the 20-cent option and 36% prefer no increase (a volunteered option). Region-wide, among voters open to an increase, subgroups most likely to support the 35-cent option over the 20-cent options are voters age 18-34, Democrats and "transit supporters."

After hearing this additional information, results by city follow:

- Bend voters are divided between the options, but 37% still want no increase.
- Redmond voters prefer the 20-cent option 31-22%, but 41% still want no increase.
- Prineville voters are divided, but 35% still want no increase.
- Madras voters are divided, but 28% still want no increase.

The survey also explored a potential utility fee option to fund transportation, described to respondents as a "\$2.75 per month utility fee, totaling \$33 per year." This funding option is unpopular and generates majority opposition region-wide (55%). Further, 41% "strongly" oppose (vs. 38% total support, 14% "strongly" support). Similar to the potential property tax increase, the most supportive subgroups for a utility fee are younger voters, Democrats and "transit supporters."

- Looking at city results, majorities of voters in all cities oppose a utility fee.

The following table illustrates results for the utility fee.

### Potential Utility Fee

	Support utility fee	Don't know	Oppose utility fee
<b>Region-wide</b>	38%	8%	55%
Bend	39%	8%	54%
Redmond	35%	8%	58%
Prineville	31%	6%	62%
Madras	39%	9%	52%

### Messaging

The survey also tested four messages about public transit and asked voters to rate the importance of each when it comes to voting on a potential property tax increase.

The most effective message overall focuses on providing services for transit-dependent residents; more than eight-in-ten (84%) say this is important in their voting decision for a property tax increase.

*"Improving public transit in [CITY] will provide services for area residents who are disabled or elderly or are lower income who depend on transit service."*

This message is rated "very" important by more than 50% of all voters, region-wide and by city, among all key voter subgroups.

The three additional messages tested are not nearly as effective. Although each receives combined "total important" ratings above 50%, fewer voters say these messages are "very" important in their voting decisions and the messages' total "not important" scores are higher.

A table illustrating these results follows.

## Public Transit Messages

	Very imp.	Somewhat imp.	Total imp.	Total not imp.
<b>Improving public transit in [CITY] will provide services for area residents who are disabled or elderly or are lower income who depend on transit service.</b>				
Region-wide	54%	30%	84%	13%
Bend	55%	31%	86%	12%
Redmond	51%	30%	81%	15%
Prineville	53%	29%	81%	15%
Madras	57%	23%	80%	14%
<b>Public transit is an affordable way to travel and transit riders save thousands of dollars when they forego owning a car and rely on transit for most trips. Improving public transit in [CITY] would allow area riders to realize these savings.</b>				
Region-wide	29%	37%	65%	31%
Bend	28%	37%	65%	31%
Redmond	29%	35%	64%	29%
Prineville	22%	40%	62%	35%
Madras	35%	39%	74%	21%
<b>Public transit is an important tool in responding to environmental concerns about air quality and greenhouse gases.</b>				
Region-wide	34%	33%	66%	31%
Bend	36%	32%	69%	29%
Redmond	29%	32%	61%	34%
Prineville	20%	33%	52%	44%
Madras	37%	34%	71%	25%
<b>Public transit is essential to the economy of the region. Improving public transit in [CITY] will do more than provide basic services – it will encourage and support economic development.</b>				
Region-wide	28%	38%	66%	29%
Bend	29%	38%	67%	29%
Redmond	27%	34%	60%	33%
Prineville	19%	38%	57%	36%
Madras	32%	36%	67%	25%

The survey also tested two schools of thought on public transportation and asked if respondents agreed or disagreed with each.

*"Public transportation in the [CITY] area should be minimal, and primarily provide transportation for people who have no other options, such as low-income residents, the disabled and the elderly."*

*"Public transportation in the [CITY] area should be substantial. Public transportation is an important element for encouraging the area's economic growth, and plays an important part in reducing traffic congestion and our area's environmental impact."*

Region-wide, voters are more likely to agree that public transportation should be substantial (66% agree, 32% strongly agree) rather than minimal (51% agree, 25% strongly agree).

Looking at subgroup responses region-wide, subgroups among the most likely to believe transportation should be substantial include:

- Bend residents
- Women
- Voters age 18-64
- Democrats and Independents
- Voters who have voted in three or fewer of the last four elections
- "Transit supporters"
- Voters willing to pay a fee/tax increase for public transit

COIC communications should leverage the above subgroups' support for "substantial" public transportation into willingness to vote for funding measures for public transit.

Conversely, among the most likely to believe transportation should be minimal are:

- Prineville residents
- Republicans
- Fee/tax increase opponents