



Public Transit in Marion and Polk Counties

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LEAGUE OF WOMEN VOTERS® OF MARION & POLK COUNTIES
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<http://marionpolk.or.lwvnet.org>

Introduction

This study of public transit in the Salem-Keizer area was initiated by the League of Women Voters of Marion and Polk Counties in 2011. A committee of League members prepared issue papers based on their research and interviews. This report is a summary of those documents and includes committee findings. The background articles are available on the local League website:

<http://marionpolk.or.lwvnet.org/transportation.html>

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Relevant Existing Positions of the League of Women Voters

The National League of Women Voters' (LWVUS) position titled "Meeting Basic Human Needs" supports equal opportunity for employment and housing as well as policies that provide transportation and other support services. The position states that "energy-efficient and environmentally sound transportation systems afford better access to housing and jobs." LWVUS has used this position since 1972 to support financing some of the costs of urban mass transit from the Highway Trust Fund. The LWVUS Air Quality position supports measures to reduce vehicular pollution and to develop alternate transportation systems. The League's positions on natural resources and climate change contain language supporting pollution control, energy conservation, and resource management.

The Oregon League's (LWVOR) air quality position supports pollution abatement and education programs. The position supports shared responsibility for air pollution abatement practices and states that individuals should be willing to accept restrictions on their own activities with respect to automobile use. The LWVOR position on energy conservation includes support for efficient methods of energy use. The LWVOR land use position supports the 19 statewide planning goals, of which Goal 12 is: *To provide and encourage a safe, convenient and economic transportation system.* This goal requires local and regional transportation plans that avoid principal reliance on any one mode; conserve energy; and meet needs of the transportation disadvantaged. The LWVOR land use position also supports recognition of the interdependence of land use, transportation, and environmental quality in local comprehensive plans.

The LWVOR has used these positions to support transit funding that conserves energy, lowers emissions by reducing congestion, and allows people with few options a means to commute.

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Public Transit in Marion & Polk Counties

Background: The Salem-Keizer Transit System

Cherriots, as the Salem-Keizer Transit system is known, serves the area within the Salem-Keizer Urban Growth Boundary with Monday - Friday fixed-route bus service on 25 routes. Cherriots provides paratransit¹ service, known as CherryLift, for qualified individuals with disabilities who are unable to use the regular service. Commuter service is available between downtown Salem and Wilsonville (shared funding with Wilsonville) and between Salem and Grand Ronde (paid for by the Confederated Tribes of the Grand Ronde). The district also administers a contract for the state and federally funded Chemeketa Area Regional Transportation Service (CARTS), which serves the cities of Woodburn, Silverton, Stayton, Gates, and Dallas, with stops at communities along the routes. In addition, grant-funded district staff coordinates car and van pool matching services.

Cherriots fixed-route system operates with a downtown Salem hub and transfer points outside downtown where buses connect. A new Keizer Transit Center at Keizer Station is funded and under construction with completion scheduled for early 2013. The Cherriots system includes eleven park-and-ride lots. The district's 64 buses are all wheelchair accessible and accommodate a limited number of bicycles. The fleet is run on Compressed Natural Gas (CNG) or Clean Diesel. The district employs 182 people full time including 97 drivers. Operators and mechanics are represented by the Amalgamated Transit Union Local 757. Contract negotiations were completed in June 2011 and included two percent wage increases in 2011, 2012, and 2013². Operator salaries as of 2011 were \$37,360 to \$44,830 a year plus benefits³.

Educating new users and customers with special needs is a high priority of the District. Staff trainers assist disabled riders and their attendants so that more of them can ride the less-costly fixed-route buses. Staff works closely with group homes and is considering other strategies for arranging group travel in order to use resources more efficiently.

The District provides 4,000 one-day-use bus passes annually for social service providers to give to their clients in need of short-term transportation. United Way allocates these passes for the District, but is only able to meet about half the provider requests.

Courthouse Square: Salem-Keizer Transit's obligation for repair of the building it co-owns with Marion County is limited to \$7.2 million (32% of the costs). The \$7.2 million will be reduced by about \$3.1 million from an insurance settlement. The district has held back some contingency and facility maintenance funds and is seeking federal and state grants to fund the remainder.⁴ Building repairs are expected to be completed by March of 2014.

Ridership Trends: A period of ridership growth began in 1997 following service improvements; a ridership decline began in 2008 following decreases in services (see graph below⁵). Both trends can be traced to financial factors. In May of 1996, district voters approved an increase in their property tax base for transit. The new 1996 tax base provided for increased services including

¹ A service that supplements public transit systems by providing individual rides without fixed routes or timetables

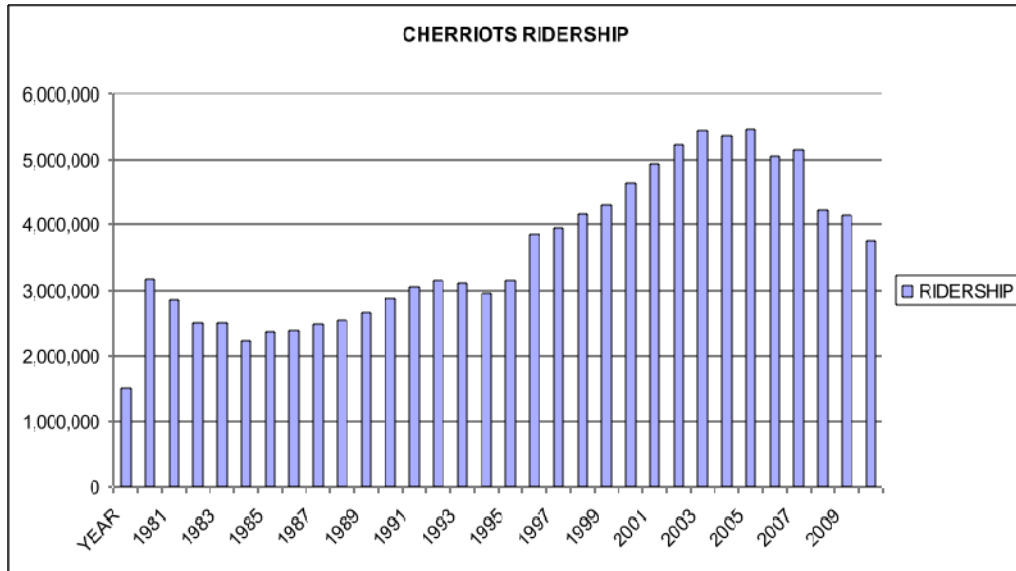
² Cherriots' Press Release, May 27, 2011

³ Employee benefits are comparable to those at Lane Transit, a similarly sized agency, and substantially less than Tri-Met's.

⁴ Cherriots 2012-13 Budget

⁵ Data Source: Salem-Keizer Transit

later evening service, new routes and new park-and-ride lots. In the ensuing four years, ridership increased by fifty percent, and for six years the system carried over five million riders annually. Conversely, ridership fell substantially after 2008, following the economic downturn and implementation of service reductions after levy failures in 2006 and 2008. More recently, the elimination of free- pass programs for state employees, Willamette University students, City of Salem employees and youth were factors in a ridership decline in 2011. Ridership is currently under four million annually. Fluctuation in Cherrriots ridership is shown in the graph.



Variation in Ridership by Route: Ridership varies significantly across the system’s routes with the highest ridership on the Lancaster route to Chemeketa Community College (CCC) (486,707 annual riders in 2011-12). Half of the district’s annual riders can be found on six of its routes – Lancaster to CCC, Routes 9 and 19 to Keizer, Routes 5 and 17 out Center and Market, and Route 1 out South Commercial (see Appendix 1).

Attracting Riders: Frequent and reliable service is a key element in attracting additional riders. Although buses are a safe transportation choice in terms of personal safety and traffic safety, negative perceptions (partially based on media coverage of events in larger cities) about taking a bus need to be overcome to attract discretionary users.

Beyond Salem-Keizer - CARTS and Wilsonville Route Ridership: The regional CARTS service provided 118,882 rides in the year between July 2010 and July 2011. The highest CARTS ridership route was Salem-Dallas with 44,585 annual passengers. The commuter bus route to/from Wilsonville provided 33,300 rides annually (jointly funded by Salem-Keizer Transit and SMART (South Metro Area Regional Transit)).

Regional Plan Underway: Salem-Keizer Transit is using a state/federal grant to develop a long-range regional transit plan for the Mid-Willamette Valley. Progress on the plan can be followed at: <http://www.cherriots.org/en/regional-plan>

Economic Development and Multimodal Transportation

Multiple forms of transportation are critical to the regional economy. Providing a safe, efficient and sustainable transportation plan that enhances quality of life and economic viability is the goal of Oregon's statewide transportation strategy for reducing reliance on single-occupant vehicles.⁶ In a 2011 opinion column in the *Statesman-Journal*,⁷ Ray Burstedt⁸, Executive Director of the Strategic Economic Development Corporation (SEDCOR) and member of the 2009 Community Transit Task Force, noted that job creation in the mid-Willamette Valley is dependent on good transportation for moving goods and for getting workers to jobs. In arguing for a multimodal approach in the federal transportation bill moving through Congress, he asked:

In this fiscally constrained era, will we be able to build a successful multimodal transportation system, maintaining what we've got and completing networks for new options like passenger rail, transit, biking and walking? Or will we be constrained by a 1950's-era thinking that prioritizes highways at the expense of all other transportation options?

Burstedt went on to say that reasonably frequent passenger rail service could serve many commuters with a relaxed and productive commute while reducing congestion in the I-5 corridor. Once people arrive in Salem they need to complete the journey to work by bike, transit, or walking networks. He noted:

This investment strategy has its costs. However it is a bargain compared with spending several billion dollars to widen I-5. We'll need to do one or the other to accommodate 1 million additional people in the Willamette Valley during the next 40 years.

The design of the transit network is also a factor in jobsite access. According to the Brookings Institution, the typical metropolitan resident can reach about 30 percent of jobs via mass transit. Most of those jobs are high skilled, however. Only 22 percent of jobs in low- and middle-skill industries are reachable by transit.⁹

The Issue of Transit Subsidies

The rationale for a public subsidy for transit is generally twofold: (1) public benefits extend to the larger community beyond those who use transit services and (2) many transit users, especially those with low incomes or physical limitations, lack transportation alternatives and/or the resources to pay the full costs of a local system. The public derives benefits to the extent that congestion, pollution, and/or fuel consumption are reduced. Public spending is also reduced because a well-used and well-run transit system reduces demand for additional road building or parking facilities. Costs of social services are reduced when people can access work and meet their own needs with affordable transportation.

Those who oppose subsidies for transit (or the current levels or types of subsidies) make a number of arguments. Some urge a return to private, flexible, market-based transit and suggest that low-income individuals could be subsidized directly as needed through a voucher system.¹⁰

⁶ <http://cms.oregon.gov/ODOT/TD/OSTI/Pages/STS.aspx>

⁷ *Statesman Journal*, November 5, 2011, "Economy Needs Multimodal Transportation Options"

⁸ Burstedt retired from SEDCOR in the fall of 2012.

⁹ Brookings Institute Report: *Missed Opportunity: Transit and Jobs in Metropolitan America*. May 2012
<http://www.brookings.edu/research/reports/2011/05/12-jobs-and-transit>

¹⁰ Cascade Policy Institute: <http://cascadepolicy.org/issues/transportation/>

systems like light rail, which ridership alone does not justify, and that require raising of substantial local matching funds.^{11 12}

Funding the Transit System Today

Salem-Keizer Transit's All Funds budget for fiscal year 2012-13 is \$57.8 million. The General Fund (or operating portion for fixed-route service) is \$25.6 million, the Capital Projects portion is \$20.1 million, and the Special Transportation Fund (for District services other than fixed-route service¹³) is \$12.1 million.¹⁴ The budget is financed by a combination of federal, state, and local revenue.

Local funds: the principal source of locally-generated revenue for transit within the Salem Urban Growth Boundary (UGB) is the property tax – collected on residences and businesses within the UGB and generating about \$9.5 million a year. (Note: these revenues are not used to support the regional CARTS system which operates on state and federal funds and passenger fares). The current property tax rate for the transit district is \$0.76 per thousand assessed value, about 4% of a homeowner's property tax bill. This amounts to \$152 on a \$200,000 home. Approximately 64 percent of the District's property tax revenue derives from residential property.¹⁵ Large commercial property tax payers include utilities, cellular companies and large land holders. Some examples of 2011 property taxes paid by local businesses to fund the district include Lowe's (\$17,640), Norpac Foods (\$14,670) and Roth's IGA (\$12,260). The federal government, City of Salem, Salem Hospital, Willamette University, Chemeketa Community College and the school district are exempt from property taxes. State property is also exempt, but the state makes direct payments to the District "in-lieu" of taxation (see State Funds below).

Local revenues also include passenger fares. The basic fare is \$1.50 per trip with discounts for seniors, youth, and various pass programs. Fares and passes for the fixed-route service raise about \$2.4 million a year. These and other smaller sources, such as advertising, are also included in computing the local match that is necessary to secure federal funds.

State funds: Revenues from three sources: a dedicated two cents per pack of the state cigarette tax,¹⁶ DMV identification card fees, and some non-vehicle fuel taxes are directed by state law to rural transit and to transportation services for the elderly and persons with disabilities. Salem and other transit districts also receive State funds for general operations through "in-lieu" (of tax) payments (\$4.5 million a year to Salem-Keizer Transit), which are based on the number of state employees in a district. The state also funds several grant programs using lottery revenues for capital projects, such as transfer centers.

Federal funds: Federal revenue for transit is mainly derived from a portion of the federal gasoline tax.¹⁷ Of the 18.4 cents per gallon tax, 2.86 cents goes into the Mass Transit Account and funds roughly 15 percent of mass transit nationally. The remainder goes into the Highway

¹¹ CATO Institute (2006): O'Toole, Randall. *A Desire Named Streetcar: How Federal Subsidies Encourage Wasteful Local Transit Systems*. http://www.cato.org/pub_display.php?pub_id=5345

¹² O'Toole, Randal. Testimony before U.S. Senate Subcommittee on Housing, Transportation and Community Development. July 7, 2009. <http://www.cato.org/testimony/ct-ro-20090707.html>

¹³ Includes CherryLift (\$4.4 million), CARTS (\$1.4 million), and DMAP (Oregon Health Plan-\$5.7 million), as well as Trip Link Call Center, travel training, and shopper shuttle

¹⁴ Cherriots Adopted 2012-13 Budget: http://cherriots.org/sites/default/files/files/budget_12-13.pdf

¹⁵ Marion and Polk County Assessors' calculation

¹⁶ Currently \$1.18 per pack

¹⁷ This tax was last increased in 1993 and is not adjusted for inflation.

Fund (as do all federal fuel taxes and fees on heavy trucks). Federal transit aid is used largely for bus purchase, infrastructure, and rural-small city transportation. Very little can be used for operations. In 2009 Cherrriots received \$5 million in federal stimulus funds, 90 percent of which had to be used for capital improvements. Those funds were used to buy new clean-fuel buses and accessible vans and are currently allocated to constructing the Keizer Transit Center. Federal Medicaid funds subsidize some paratransit trips for clients' non-emergency medical treatment.¹⁸

The local challenge is how to balance affordable fares and property taxes with increasing demand for services, including paratransit services required by federal mandate under the Americans with Disabilities Act (ADA).¹⁹ Fares have been raised about every two years since 2005, when they were just 75 cents. Operating revenue is the biggest challenge currently.

Difficult Choices Following Tax Levy Failure: Following defeat of the 2008 tax levy, Salem-Keizer Transit worked with the public and interest groups to determine the most acceptable way to maintain operations with declining revenue. The Board chose to redesign the system for maximum efficiency and continue to serve the greatest number of passengers. The result was that all Saturday service was eliminated and nearly all routes in the system were changed. Some routes were cut back substantially; others became High Frequency Corridors with increased service during peak travel times. Reductions in administrative staff were also made.

The return of Saturday service is a high priority for transit users and the business community. It was also the highest priority of the Community Transit Task Force. (See Page 11) The cost of re-establishing Saturday service is estimated²⁰ to be \$1.74 million annually for minimal service (hourly from 7 a.m. to 7:30 p.m.), -which would be an additional 13 cents per \$1,000 of assessed value or \$26 on a \$200,000 home. The cost of a comprehensive package (including six-day service, increased routes and frequencies, and evening hours to 11:30 p.m.) would be an additional 76 cents per \$1,000 assessed value. (see Appendix 2)

Transit Funding Outlook

Salem-Keizer Transit Faces Long-Term Deficit: A significant finding of the 2011 Regional Transportation Systems Plan²¹ is that the current fixed-route system of Cherrriots faces a deficit of \$234 million, or 27% of the amount needed (\$870 million) over the next 25 years. The Plan acknowledges levy failures, service cuts, and increasing demand for services, including paratransit, and predicts the District will be forced to do one or more of the following to continue to provide existing services (as of 2011-12):

- increase fees,
- pass an increase in the property tax base,
- find additional funding streams (none are specifically proposed), or
- reduce services further.

The Plan concludes:

“Additional sources of stable, or at least counter-cyclical, funding are necessary to allow the Transit District to provide the level of service required to provide the residents of Salem-Keizer an option in their travel.”

¹⁸ Formerly provided by Oregon Housing and Associated Services through their Wheels program

¹⁹ 42 U.S.C. 12101 et seq.

²⁰ Handout provided to the Community Transit Task Force (see Appendix 2)

²¹ Salem-Keizer Area Transportation Study (SKATS)

Federal Funding Challenges: Federal funding for highway and transit programs, including all formula and grant programs, are determined every four to six years in a major transportation authorization bill. Actual spending within these federal programs depends on the annual budget process and departmental appropriations bills. In November 2011 Congress passed the annual transportation appropriations bill for Fiscal Year 2012 and maintained most transit funding programs. A two-year extension of the reauthorization bill passed in 2012 but Congress did not authorize a long-term bill.

Highway and transit advocates assert that current levels of federal transportation spending are not sustainable, even into 2013, without additional revenues. The gas tax is considered a flat or declining revenue source due to: inflation; improved gas mileage of cars; and reduced driving in recent years. It has been necessary in the last few years for Congress to subsidize the Highway Fund with general fund dollars.

State Funding Challenges: At the state level, some of the cigarette tax is used to fund transit, but it is considered a declining revenue source. Competition for that revenue and for State grants will likely increase due to serious ongoing budget shortfalls. CherryLift and CARTS funding may be negatively impacted.

Local Funding Challenges: Salem-Keizer transit revenues, mainly from property taxes, have been maintained in recent years, even though market values of homes and businesses have declined significantly during the current recession. Assessed values have been limited to a three-percent increase per year since passage of property tax limitation measures in the 1990's, so they did not keep up with market values. Property tax collections will decline in the future, however, if additional taxes for other government purposes are assessed and the total general (i.e. not education) tax for a piece of property exceeds the \$10 per \$1,000 (of real market value) limit set by those measures – a situation known as compression.

Serving People with Disabilities

Federal Law: The Americans with Disabilities Act (ADA) is a federal anti-discrimination law mandating specific services for persons who show medical verification of a qualifying disability.^{22 23 24} Under the ADA, paratransit services must be available within three-quarters of a mile of all regular routes and during all hours that any fixed-route transit service operates. The service cannot discriminate or prioritize trips based on the riders' purposes.

Local ADA Compliance: Many ADA-qualified persons can board and use regular Cherriots buses, as they are all wheelchair-accessible. CherryLift provides curb-to curb, pre-reserved paratransit anywhere within the Urban Growth Boundary for those unable to use regular buses.

Funding Issues: The ADA is known as an unfunded mandate because, when Congress passed the law in 1991, no implementation funds were provided. Local transit systems complied by using primarily local and state funds. Although the ADA itself remains an unfunded law, some federal grant programs can now be used for transit services, especially capital improvements. In the current Salem-Keizer Transit budget, federal funds to assist individuals with developmental

²² 42 U.S.C. Sec. 12143

²³ 42 U.S.C. Sec. 12102

²⁴ As defined in the regulations, "Paratransit" means "comparable transportation service . . . for individuals with disabilities who are unable to use fixed route transportation systems."

disabilities²⁵ are anticipated to cover \$1.5 million of the \$4.38 million annual cost of the District's CherryLift program. CherryLift provides about 120,000 rides annually. For comparison, fixed-route service provides nearly four million rides per year at a cost of \$25 million. The cost/revenue difference for paratransit is a large issue for the District.

The ADA requirement that paratransit be provided whenever fixed routes operate was a factor in the decision to cut Saturday service following the 2008 transit levy failure. In analyzing its options, the Transit Board determined it would be more cost-effective, and in keeping with the ADA, to eliminate one entire day of service than to make deeper service cuts throughout the week.

The lack of sidewalks in many Salem and Keizer locations increases the need for paratransit. Some wheelchair users who could use the fixed-route buses must rely on the more expensive CherryLift if their bus stop is not accessible. While the Transit District determines bus stop locations, cities are responsible for sidewalk construction and repair. Better coordination with the District could reduce the number of inaccessible bus stops.

ADA Looking Forward: The aging of our population will lead to greater need for paratransit. Additional funding sources will be needed if Saturday service is to be restored and the growing demand for paratransit is to be met.

Changing Economic and Social Landscape

A number of national trends and local developments over the past ten years are affecting transportation needs and options in the Salem-Keizer area.

Population Growth: The 2010 Census shows that Marion County's population grew by 10.7 percent and Polk County's by 20.9 percent since 2000. West Salem, in Polk County, is the most rapidly-growing residential area of Salem. Traffic, especially to/from West Salem and on Lancaster Drive during morning, noon and evening rush hours, approaches gridlock.

Economic Downturn: A dramatic change in the world's economy, beginning in 2007, has impacted the Salem economy. Salem's average income decreased, the result of layoffs in business and government agencies. Thirteen thousand jobs have been lost in Salem and 19,000 residents were still unemployed as of March 2012.²⁶ Real estate values, as well as retirement accounts and financial investments, plummeted and many people lost homes through foreclosure.

Cost of Driving: Gasoline, at \$4 per gallon, has nearly doubled in price since 2004. Auto insurance costs have risen. Many two-car families can no longer afford their second car and some families cannot afford any car.

Commuting Patterns: In 2009 an estimated 53,600 people who worked in Salem lived outside the city limits, including 6,900 who lived in Keizer. There were 27,000 Salem residents who had jobs outside the city.²⁷ Seventy-three percent of Salem-area commuters drive alone, 14 percent carpool, 3 percent use transit regularly, 4 percent walk, and 4 percent work at home.²⁸ Similar

²⁵ "DD 53 Funds" for individuals with developmental disabilities when transportation is required for participation in an enrolled employment service

²⁶ *Statesman Journal*, June 10, 2012, page E-2

²⁷ Statistics provided to SEDCOR by the Oregon Employment Department based on 2010 Census data

²⁸ The American Community Survey: Salem ACS 5-year commuting.pdf

national data²⁹ indicate that 76 percent of commuters drive alone, 10 percent carpool, and 5 percent take transit.

Downtown Housing: Development of downtown housing (projected to flourish before the real estate market tumbled in 2008) has not achieved anticipated build-out. Residential housing growth remains outside the central core area – especially in West Salem. Some mixed business and residential development has been developed on North Broadway.

New Destinations: Keizer Station, Riverfront Park, the downtown Convention Center, the Kroc Center, softball and soccer complexes at Wallace Marine Park, the new pedestrian bridge over the Willamette River, new schools, fitness and senior centers, “big box” stores and several new business parks all attract workers and customers who need transportation.

Chemeketa Community College Growth: Daily attendance at Chemeketa Community College is over 9,000.³⁰ The students’ need for transit is reflected in the very high ridership numbers on the Lancaster route (see Appendix 1). In order to better serve the student population, the Transit District has created a popular direct route from Keizer to the college that does not go downtown.

Technology: District staff is working to make the transit system user-friendly through technology. Cherriots and CARTS schedules are available online and integrated into Google Transit®. A user can type in any origin and destination and get detailed directions on where and when to catch a bus and transfer to complete a trip to most areas of the U.S. and Canada.

Baby Boomers: A New Population of Transit Users

Seventy-seven million persons born between 1946 and 1964 are entering or approaching retirement. According to a 2011 study, *Aging in Place*,³¹ many in this “Boomer” generation will increasingly need affordable transportation to remain independent and active. Absent safe and reliable travel options, 79 percent of seniors, many of whom live in suburbs and rural communities, face isolation and loneliness unless transit options are improved.

The Center for Neighborhood Technology studied the adequacy of public transportation service in 241 metropolitan areas, including the number of transit lines and stops in each city and the number of seniors who would need service in 2015.³² Salem-Keizer and Eugene-Springfield were treated as comparables based on their populations. The study found that 53 percent of Salem's seniors will have "poor transit access" in 2015, compared to 39 percent of Eugene's seniors. Eugene has already improved transit access and is expected to have safer and more efficient options in place for its aging population than will Salem.

The study found that federal aid, one-fifth of the dollars spent for public transit, "does not begin to meet growing needs, particularly in these fiscally-constrained times for local and state governments." Without increased investment from local communities and the federal government, transit districts "will find themselves locked into inadequate systems that leave millions of seniors without options" for safe, adequate travel. The study recommended that Congress increase federal funding for public transportation assisting innovative practices to

²⁹ <http://www.census.gov/prod/2011pubs/acs-15.pdf>

³⁰ Number provided by CCC President's Office – includes all CCC campuses.

³¹ *Aging in Place: Stuck Without Options: Fixing the Mobility Crisis Threatening the Baby Boom Generation* (Transportation For America, 2011)

³² Cited in the study above

make transit systems more efficient and user-friendly. Also, all communities should endorse a "complete streets" policy to ensure that streets and intersections around transit stops are safe and inviting for all persons.

Transit and Health

Transportation and public transit policies are associated with health risks and benefits.³³

Accidents: According to national transportation and injury statistics, the risk of fatal injury per person-trip by bus in the U.S. is 23 times less than by car (0.4 versus 9.2 fatalities per 100 million person-trips) and the risk of non-fatal injury is five times less for bus trips compared to automobile trips³⁴ (161 versus 803 per 100 million person-trips).

Air Pollution: Nationally, mass transit is estimated to reduce annual single-occupancy vehicle emissions of volatile organic compounds by more than 70,000 tons, nitrogen oxides by 27,000 tons, and carbon monoxide by 745,000 tons. Transit use also helps reduce carbon dioxide (CO₂) emissions by an estimated 7.4 million tons per year.³⁵ Oregon's proposed strategy for reducing greenhouse gas emissions includes walkable mixed-use communities and improved public transportation services.³⁶

Noise Pollution: Exposure to excessive noise can induce hearing loss and impact mental and cardiovascular health. All forms of transportation cause noise at levels harmful to health.^{37 38}

Physical activity: A growing body of research has examined physical activity benefits of transit and overall, the evidence suggests that persons who ride mass transit are engaging in health-enhancing physical activity by simply walking to and from transit stations as compared to car commuters.^{39 40 41}

Social Capital: Studies indicate that citizen involvement in a community, the degree to which people know and trust their neighborhoods, and positive social interactions directly improve health. Public transportation can encourage community cohesion, increase personal security and provide more opportunities for socializing.⁴²

³³ Zimmerman R. 2005. Mass transit infrastructure and urban health. *Journal of Urban Health: Bulletin of the New York Academy of Medicine* 82(1):21-31

³⁴ Beck LF, Dellinger AM, O'Neil ME. 2007. Motor vehicle crash injury rates by mode of travel, United States: Using exposure-based methods to quantify differences. *Am J Epidemiology* 166(2):212-218

³⁵ Zimmerman R. 2005. Mass transit infrastructure and urban health. *Journal of Urban Health: Bulletin of the New York Academy of Medicine* 82(1):21-31

³⁶ [Oregon Statewide Transportation Strategy: A 2050 Vision for Greenhouse Gas Emission Reduction:](http://www.oregon.gov/ODOT/TD/OSTI/docs/sts/executivesum.pdf)
<http://www.oregon.gov/ODOT/TD/OSTI/docs/sts/executivesum.pdf>

³⁷ Gershon RR, Neitzel R, Barrera MA, Akram M. 2006. Pilot survey of subway and bus stop noise levels. *J Urban Health*, 83(5):802-12. Available at: <http://www.springerlink.com/content/02377v25529311g2/fulltext.pdf>

³⁸ Evans GW, Lercher P, Meis M, Ising H, Kofler WW. 2001. Community noise exposure and stress in children. *Journal of the Acoustical Society of America* 109(3):1023-7

³⁹ Hamer, M., & Chida, Y. (2008). Active commuting and cardiovascular risk. *Preventive Medicine*, 46(1), 9-13

⁴⁰ Besser, L. M., & Dannenberg, A. L. (2005). Walking to public transit: Steps to help meet physical activity recommendations. *American Journal of Preventive Medicine*, 29(4), 273-280

⁴¹ Wener, R.E. & Evans, G. W. (2007). "A morning stroll: levels of physical activity in car and mass transit commuting." *Environment and Behavior*, 39 (1), 62-7

⁴² Frank L, Kavage S, Litman T. 2006. Promoting public health through smart growth. Available at: <http://health-design.spph.ubc.ca/files/2011/06/promoting-public-health.pdf>

Water Pollution: Cancer-causing compounds found in exhaust have been shown to contaminate water, and are found in high concentration in areas with high levels of vehicle traffic.⁴³

Funding Options in Oregon and Other States

Like Salem-Keizer, smaller systems such as Rogue Valley Transit, Basin Transit (Klamath Falls), and Tillamook County Transit rely on dedicated property tax rates to support their districts. Other transit districts in Oregon depend on local revenue sources other than dedicated property taxes. The funding systems are varied and difficult to compare.

Payroll Tax: Portland, Wilsonville, Lane Transit, City of Sandy, and Canby Area Transit rely on payroll taxes on employers and self-employed persons.^{44 45} A typical tax in Portland or Eugene, based on an employee earning \$30,000, is \$200. Employers are prohibited by law from charging the tax back to their employees.⁴⁶ Self-employed persons pay their own tax. Although most non-profit and government employers are exempt from paying transit payroll tax, non-profit hospitals in areas served by Lane Transit and Tri-Met are not exempt. Also, cities and counties in the area served by Tri-Met pay Tri-Met's payroll tax on their employees. Lane Transit raises about \$25 million annually from its payroll tax, more than double Salem-Keizer Transit's annual property tax revenue of \$9.5 million. A district-wide vote would be required to allow a payroll tax here.⁴⁷

Utility Fee: Corvallis has a city-owned bus system and recently instituted a Transit Operations Fee as a monthly utility fee on residents and businesses within the city. The \$2.75 per residence monthly fee is expected to generate \$850,000 of the \$2.5 million annual cost of their contracted bus service. A utility fee would be more difficult to implement in Salem-Keizer because there are two cities and portions of two counties involved in the service area.

Direct Support from Cities and Counties: A number of Oregon cities and counties support transit with their general funds (mainly derived from property taxes). Bend, Albany, and Woodburn have municipally-owned transit systems that are roughly one-third funded by city funds. (Bend city voters defeated a 2008 ballot measure to form a transit district with a separate property tax rate). Umpqua, Curry and Yamhill Counties administer and partially fund contracted transit services, including some inter-city routes. Parking fees are used for a portion of the operating costs of Portland streetcars. Also, cities and counties in the Portland area provide substantial support⁴⁸ for light rail and other transit projects in the metropolitan area, often bonding to spread out payment.

Fares: The level of fares in other districts varies. Lane's basic fare is \$1.75 (\$3.50 per day) and TriMet's fare covering all zones is now \$2.50. Riders within Corvallis and Wilsonville are not charged fares at all. Portland, Eugene, and Corvallis are each home to large universities and receive some of their transit funding from the institutions, which purchase or subsidize passes for students and staff.

⁴³ Ibid.

⁴⁴ Tri-Met's payroll tax rate is .6918 percent (\$6.92 per \$1,000) of the annual wages paid by an employer. Lane's is .67 percent and the City of Wilsonville's is .5 percent.

⁴⁵ For information on Tri-Met and Lane payroll taxes see this Oregon Department of Revenue website: <http://egov.oregon.gov/DOR/BUS/transit-excise.shtml> Also see ORS 267.385.

⁴⁶ ORS 267.385(2)

⁴⁷ ORS 267.302 and ORS 267.107

⁴⁸ Milwaukie has committed to \$4 million, Clackamas County \$25 million, and Portland \$55 million for light rail to Milwaukie.

Comparative Funding Stability and Ease of Implementation: Local funding options vary considerably in terms of stability and ease of enactment. Property taxes tend to be stable but limited and operating levies require voter approval. Payroll taxes tend to rise with wage inflation over time, but they fluctuate in response to the ups and downs of business cycles. In order to enact a payroll tax in Salem, a local authorization vote or state legislation would be required and, according to our local interviewees, such action is unlikely to be supported. Fares can be changed by transit district action, but optimal ridership is achieved when fares remain affordable. Individual taxpayers and the business community remain concerned about increasing costs.

Additional Funding Sources in Other States: Funding for local public transit systems in some states includes a portion of the state’s gas tax or vehicle registration fee. These particular revenue sources are not available for transit in Oregon because an express provision⁴⁹ in the state Constitution requires that revenue from any tax on fuel used in motor vehicles⁵⁰ and any vehicle registration fees be dedicated to use on roads, streets, highways and rest areas. Sales taxes, which Oregon lacks, are another significant source of funding for public transit in other states.

Options Analysis by State Working Group: In November 2011 Governor Kitzhaber convened a Non-Roadway Transportation Infrastructure Working Group to discuss funding options for marine, aviation, rail, transit, bike and pedestrian modes of transportation. The Oregon Transit Association promoted a reliable dedicated funding source for transit operations. The Working Group surveyed stakeholders regarding 60 funding options, and analyzed each option for: funding adequacy, ease of implementation, political feasibility, and economic effects. According to the group’s final report,⁵¹ the funding options with the most support would not raise adequate ongoing revenue, especially in the case of transit. The report also noted support for local funding options that could be implemented without state enactments.

Funding Recommendations of the S-K Community Transit Task Force: The Salem-Keizer Community Transit Task Force, which consisted of representatives of the community, businesses, and transit users, began meeting after failure of the 2008 transit tax levy. The Task Force report to the Transit Board in 2011 concluded that:

- the district’s finances are solid and stable;
- ridership is increasing;
- changes in service made in 2009 have been effective;
- area workers and employers depend on the transit system; and that
- the return of Saturday service is a priority.⁵²

The Task Force recommended in 2011 that the Board not seek voter approval for an operating levy to expand service until economic conditions improve. They also recommended publicizing the district’s successes, improving outreach and building community partnerships to garner support for a future levy. The Task Force met again in 2012 and discussed the pros and cons of a levy request in 2013.

Additional Revenue from Attracting Businesses: New-business recruitment could help the community in many ways, including providing additional property tax revenue to relieve the pressure on existing businesses and homeowners for funding transit and other services.

⁴⁹ Article 9 Section 3a, Oregon Constitution

⁵⁰ Oregon’s gas tax is currently 30 cents per gallon.

⁵¹ Final Working Group Report http://www.orconsensus.pdx.edu/documents/Non-RoadwayFINALREPORT5_31_2012.pdf

⁵² From Dan Clem testimony to Transit Board June 23, 2011

Value Capture and Other Local Revenue Options for Capital Construction: Locally-approved revenue sources (such as Local Improvement Districts, Urban Renewal Districts, selling of development rights, and business contributions, levies, or sponsorships) can be used to pay for construction of facilities such as bus rapid transit lanes, streetcar tracks, park-and-ride lots, or shelters. These “value capture” strategies have the most potential for large transit systems with connections to major destinations and where traffic congestion increases the value of not having to drive.⁵³ Under ORS Chapter 223, cities can establish Local Improvement Districts (LIDs) to raise development funds. Property that benefits from an improvement within an LID is taxed to defray costs of the improvement. Seattle’s Waterfront Streetcar and Portland’s initial streetcar segment were partially funded through LIDs⁵⁴ and an LID is part of the funding for Portland’s newest streetcar segment across the Willamette to OMSI.

Effect of Transit Limitations on Individuals and the Community

To learn how transit affects the community, League Study Committee members interviewed transit users and people who work with transit dependent individuals, including at Worksource Oregon, Salem Municipal Court and the Oregon Department of Human Services. Respondents indicated that the current schedule, with no service on Saturdays or after 9:00 p.m., adversely affects either their own quality of life or that of the people they serve. The major difficulties addressed by respondents were getting to/from jobs, meeting basic needs, and enjoying social/community life. Reliable transportation is seen as a key means to self-sufficiency. Conversely, the lack of reliable transportation is a key factor of dependency.

Jobs: Interviewees indicated that the current bus schedule is particularly hard on employers and employees in retail, janitorial, restaurant, retirement, and hospitality establishments. Job postings often include: “Must have reliable transportation.” One ad posted by a restaurant with a bus stop adjacent to its parking lot read, “Do not apply if you use the bus to get to work.”

People who assist the unemployed in finding jobs verified these effects. They also pointed out that CARTS hours of service are sometimes more limited than Cherriots and may be inconsistent. CARTS schedules are better for people arriving in Salem than for riders leaving Salem for the outlying communities to work.

The District estimates that 60 percent of rides on the local system are work related.⁵⁵ Another indication of the importance of transit to jobs is that businesses routinely consider public transit service when choosing where to locate.

Meeting Basic Needs: Limited service hours adversely affect bus riders who need access to social services and training that are intended to help them transition off various forms of assistance. Transit-dependent riders sometimes lose their jobs, miss appointments, or avoid visits with family and friends because of schedule limitations. Parents bringing children to or from foster or day care also need more complete schedules. Municipal Judge Jane Aiken told the committee that court clients had listed lack of transportation as the number one reason for missing their court dates.

⁵³ *Capturing the Value of Transit*. Center for Transit-Oriented Development. 2008

⁵⁴ *Central Salem Streetcar Feasibility Study*, Nelson/Nygaard Consulting Associates, 2005, page 5

⁵⁵ Allan Pollock interview

Secondary Education: Some secondary students use the bus to get to/from school. After-school activities are known to be important to a secondary student’s physical, cultural and academic life. Access to these activities was reduced for many students when a popular free bus pass program, funded by the Oregon Business Energy Tax Credit (BETC) and worth \$900,000 a year to the Transit District, was cancelled in 2011. While passes were free, students accounted for a third of regular route ridership. Following loss of the program, student ridership fell by 60 percent. Responding to concerns of schools and families, the Transit District began offering half-fare student passes in March 2012. Student ridership increased by 42,000 the following quarter, but was still only 49 percent of quarterly ridership for the same quarter in 2010 and 2011.

College Students: Students attending Chemeketa Community College or Western Oregon University using the CARTS buses from outside of Salem-Keizer have little flexibility in coordinating their class schedules with the bus schedule. Participation in evening classes, library, or computer lab work is not possible when CARTS service ends between 5:00 and 6:00 p.m. The limited schedule also leaves little flexibility for students who attend school and work as well.

Social and Community Life: Transit-dependent people are especially impacted on weekends without Saturday (or Sunday) service. They cannot access social, church, community, shopping, and entertainment events. Infrequent service during the week also means transit users, especially the elderly or those with children, need a lengthy block of time to get to destinations and return.

Survey excerpts:

- *I estimate that 65% of the clients on my caseload (parents with children in foster care) depend on transit. (Caseworker)*
- *Would like to highlight the fact that a lot of people depend on a bus system, and evening or weekend routes are more than necessary. (Client)*
- *Lack of scheduling for evenings, weekends and holidays also limits specific job opportunities. (Client)*

Regional Service in Polk County

Cherriots buses serve the area of Polk County that is within the Salem UGB (West Salem) as part of their regular weekday route service. West Salem routes were redesigned in 2009 and one was eliminated. Additional service was approved in June 2012. The Confederated Tribes of the Grand Ronde fund a Cherriots bus to Spirit Mountain Casino, mainly for employees.

CARTS serves rural areas of Polk County and Marion County. Two fixed routes run between Salem and Dallas (stopping in Independence and Monmouth) and two flex routes circulate around those towns, responding to reservations made 24 hours ahead.

CARTS service is managed by Salem-Keizer Transit and operated by a contractor, MV Transportation. For the 2010–11 Fiscal Year, 20% of CARTS funding came from fares with the remainder from federal and state grants. The federal sources are Section 5310 funds for elderly and disabled users and Section 5311 for rural systems. The largest state sources are the Special Transportation Fund and the Special Transportation Operating Fund, both for seniors and people with disabilities. There is presently no local funding from cities or counties served by CARTS, though Polk County made financial contributions in past years.

CARTS buses are equipped with wheelchair lifts and bicycle racks. Persons with disabilities and commuters are the largest ridership groups, followed by youth and seniors. There is no service to

Falls City, Willamina, or the town of Grand Ronde. Service is infrequent (five round-trips a day) and unavailable for evenings and weekends. Students, people who work nights or evenings and those who need the bus for retraining, shopping and social activities are limited. Infrequent scheduling also impacts seniors and others who use transit for their appointments or errands.

Transit Enhancement Options

Streetcars: Streetcars were popular people-movers in late 19th century Salem. Operated and financed privately, a network of 12 miles of track on six electrified streetcar routes facilitated the city's growth and development. By the mid-1920s, the door-to-door convenience of the automobile and the flexibility of buses led to streetcars being phased out. In the 21st century streetcars⁵⁶ have made a comeback in communities in various parts of the nation as part of multi-modal transportation and urban re-development strategies.

In 2002 a group of Salem citizens and business owners organized to study whether a streetcar system was feasible to supplement the Cherriots bus system. The group believed a modern streetcar system could enhance Salem's downtown and achieve an integrated transit service. The Salem-Keizer Transit Board and Salem City Council agreed to finance a study. In 2005 the final report, *Central Salem Streetcar Feasibility Study*,⁵⁷ was issued by the consultants. The study determined that a streetcar system could enhance both the downtown area and the existing bus system, providing effective and efficiently integrated transit. The report listed characteristics that make streetcars attractive to cities:

- Streetcars reduce reliance on automobiles, traffic congestion and parking demand.
- Streetcars generally attract at least 15-50 percent more riders than buses in the same area.
- Streetcars attract private investment, adding value to both business and residential properties in proximity to the routes.
- Streetcars catalyze and organize development, potentially promoting infill, commercial and high-density residential development.
- Streetcars are an effective connector with inter-city buses, trains and suburban feeders allowing seamless regional transportation.
- Streetcars interface effectively with neighborhood feeder buses.
- Streetcars are easily visible and attract new users and visitors.
- Streetcars are electric and non-polluting.
- Building a line in a mixed-use area of sufficient density can ensure all-day usage.

Modern streetcars are also easily accessible and provide convenient inside bike storage. Since the 2005 study, United Streetcar, located in Clackamas, Oregon, began manufacturing streetcars.

The 2005 Study included a number of conditions that affect streetcar success, finding that streetcars are most effective in densely-populated, pedestrian-oriented urban neighborhoods with mixed uses. The report also found that streetcars traveling at 10-15 minute intervals have shown the greatest success in attracting riders.

The Streetcar Study was part of re-development planning for downtown Salem, so the consultants reviewed only route alignments in the downtown area. Three loops of three to four

⁵⁶ For this study, "streetcar" means an electric-powered, steel-wheeled vehicle operated on tracks, following a regular route.

⁵⁷ Central Salem Streetcar Feasibility Study, Nelson/Nygaard Consulting Associates, 2005.

http://cherriots.org/sites/default/files/salem_streetcar_report.pdf

miles each were analyzed as well as a single two-way track option for one of the alignments. Estimated construction costs were \$15 to \$17 million per track mile for the routes considered. The Study identified potential funding sources, noting that, when federal funding is obtained, local funding of at least 20 percent of construction is generally required in addition to the ongoing cost of operations. The 2005 Salem study estimated operating costs at \$700,000 to \$1 million per year.

The Cherriots and the City of Salem have not actively pursued funding for a streetcar although members of the 2005 Salem Streetcar Committee, through their Chairman Roy John Bolduc, recommended the community “continue to pursue the potential to realize this remarkable opportunity.”⁵⁸ Chair Bolduc expressed concern that the routes analyzed in the Study might be “too ambitious and costly,” considering available resources, but that “alternatives routes could reduce costs dramatically yet achieve many of the benefits cited in the study.” Stating that the goal of a Salem streetcar would be to “catalyze development,” Bolduc referenced the increases in land values and the “spectacular growth of new development” that had occurred in communities that had implemented streetcars. His letter concluded: “We believe Salem and the region will benefit greatly by an initial streetcar system whose scale, size and price is appropriate to our community.” In a separate letter,⁵⁹ Salem businessman and member of the committee, Tony Nielsen also recommended that “Salem should capture the opportunity of a streetcar” and acknowledged that Portland’s streetcar had brought “over \$1.7 billion in new development” and that 4,000 residential units had been built in Memphis “within a block of the streetcar in a formerly underused industrial area.” Other advocates for streetcar and light rail projects point to long-range economic development, as well as transportation, benefits of such projects.^{60 61}

Though not part of the 2005 study, a streetcar alignment along a high bus-ridership corridor with multiple destinations may be appropriate for initial implementation and would warrant analysis in a future study. Communities have successfully financed and built streetcar lines using an incremental construction strategy, starting with an initial one to two-mile segment, adding track in stages as ridership and redevelopment expands and funding becomes available. Appendix 3 lists streetcar projects in mid-sized cities and their funding sources.

Rubber-tired trolleys are attractive alternatives to buses, especially for tourists and during special events. They are sometimes used for transition during construction of streetcar lines. Trolleys do not lead to the economic and social development of communities that streetcar development encourages, however. They are often privately-financed and may not be ADA-compliant.

Bus Rapid Transit (BRT): BRT uses buses to provide faster, more efficient service than an ordinary bus line. Often this is achieved by making improvements to existing infrastructure, vehicles and scheduling to approach the service quality of rail transit while realizing the cost savings and flexibility of bus transit. Eugene began operation of its BRT system in 2007. It started as a four-mile line from downtown Eugene to downtown Springfield with ten stops, including the University of Oregon, operating mostly on a dedicated lane at ten-minute intervals with traffic signal priority. The original system was built at a cost of \$25 million. A 7.8 mile extension from Springfield to Gateway Mall and the new Sacred Heart Medical Center opened in

⁵⁸ Letter to Salem City Council, April 25, 2005, from Roy John Bolduc, Chair, Salem Streetcar Committee, and endorsed by committee members

⁵⁹ Letter to Salem Mayor Janet Taylor, April 25, 2005, from Tony Nielsen, Streetcar Committee member and community leader

⁶⁰ Center for Transportation Excellence. http://www.cfte.org/critics/otoole_streetcar_response.asp

⁶¹ Capturing the Value of Transit. Ohland and Fogarty. Planetizen 5-2009. <http://www.planetizen.com/node/38695>

2011. The Lane Transit District has recently been awarded funding approval from the Federal Transit Administration for a West Eugene extension. A September 2012 Wall Street Journal article, “The Commute of the Future”,⁶² features Bus Rapid Transit Systems in Seattle, Cleveland, and Kansas City, comparing costs of the BRT lines to the costs of light rail:

The Kansas City area opened a rapid-transit bus line in 2005 and a second one last year for a combined cost of \$50 million after numerous public votes to finance a light-rail system failed. Kansas City planners estimate that light-rail along the area’s main, six-mile bus route would have cost at least \$250 million. In Cleveland, the cost of building the Healthline amounted to \$200 million. Transit planners estimate that installing light-rail service along the same stretch of Cleveland’s Euclid Avenue corridor would cost \$1 billion.

Light Rail: Portland and a number of other cities, including Seattle, Sacramento, Denver, Salt Lake, Dallas, Baltimore, Edmonton, and Calgary have invested in light rail systems, often with federal financial assistance. “Light rail” refers to an electric railway system that is able to operate single cars or short trains along exclusive rights of way at ground level. Light rail track usually carries commuters from the suburbs to cities. Track is segregated from inner-city traffic wherever possible and stations are spaced farther apart than streetcar stops, thereby enabling light rail to travel at higher operating speeds than streetcars.

Private Transportation Providers: The Salem-Keizer population is served by several private taxi cab companies, a private Portland airport shuttle, Amtrak and Greyhound service, a number of private medical transport services, as well as retirement and nursing center vans. Zipcar, a car leasing company, operates in the area and allows members to reserve conveniently-located cars online. These are important alternative transportation services that supplement or reduce reliance on private car ownership.

Bike and Pedestrian: Transit most often relies on pedestrians and cyclists to connect their origins and destinations; pedestrian access and cycle routes effectively extend the reach of the transit system. The City of Salem is currently undergoing a comprehensive update to its Bike and Walk Salem Transportation System Plan.⁶³ Though funding is not assured, the City is committed to working jointly with the Transit District to enhance access to transit stops. The goal is to develop convenient and direct pedestrian and cycle links to transit stops, to improve paved landing pads to safely accommodate wheelchairs, to install bicycle racks, and to provide covered passenger shelters, adequate lighting and trash receptacles at transit stops. The Oregon Statewide Transportation Strategy⁶⁴ supports walkable mixed-use communities with sidewalks for walkers and safe, improved lanes for cyclists so that seamless connections, using multiple transportation modes, are achievable.

⁶² Wall Street Journal, September 28, 2012. <http://online.wsj.com/article/SB10000872396390444358804578016191463503384.html>

⁶³ http://www.cityofsalem.net/Departments/PublicWorks/TransportationServices/tr_planning/Pages/Bicycle-PedestrianPlanUpdate.aspx

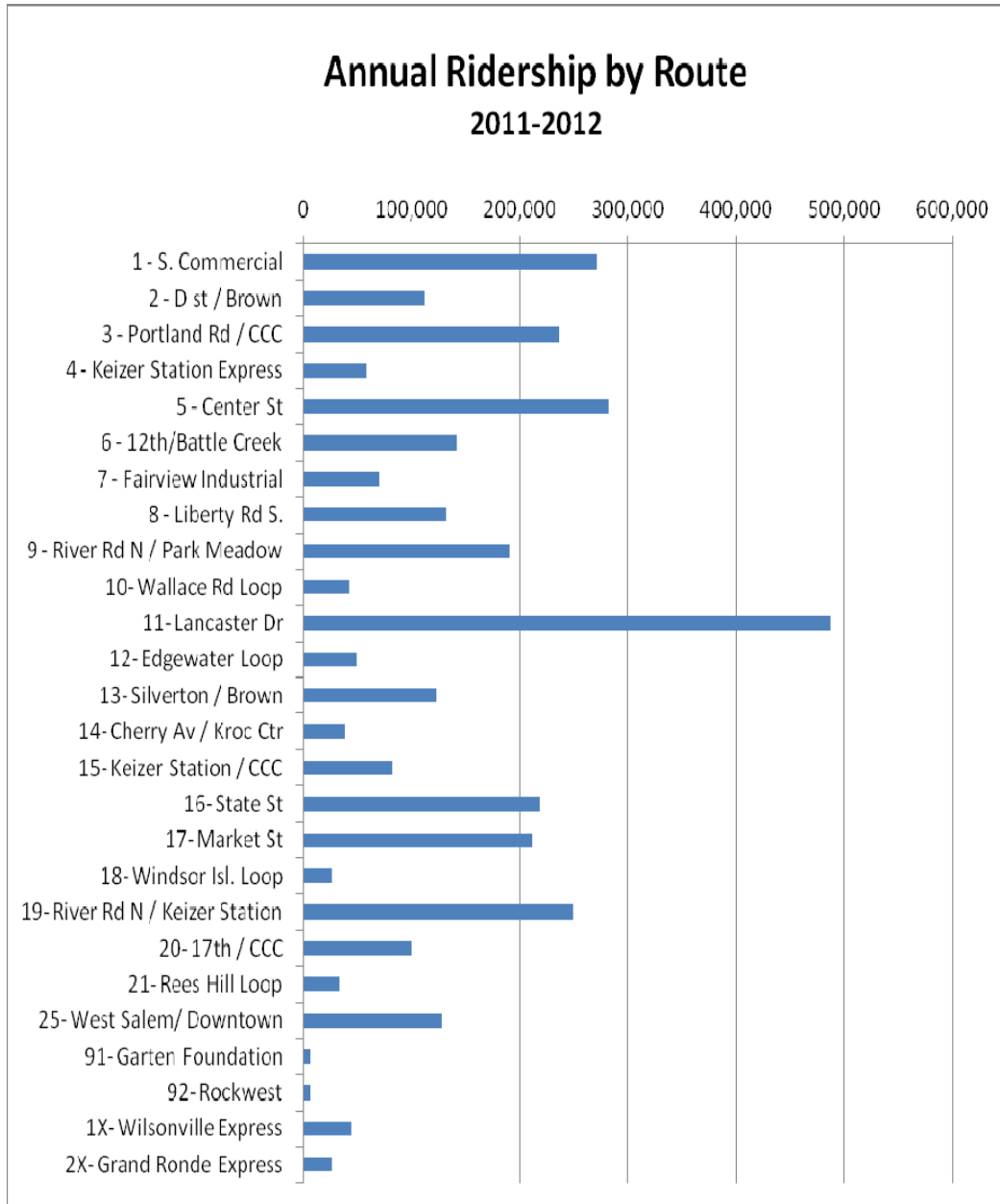
⁶⁴ <http://cms.oregon.gov/ODOT/TD/OSTI/Pages/STS.aspx>

Study Findings

- Transit is commonly considered a public service in Oregon, subsidized by public funding.
- Substantial ridership fluctuations on Cherriots have been associated with variations in levels of service. Levels of service are dependent on revenue available.
- Return of Saturday service is a high priority for transit users, the Community Transit Task Force, and businesses.
- Adequate transportation is a major factor in getting and keeping a job – its availability is an issue for both employers and employees.
- Regularity of service is especially critical to workers and students.
- Improved bus routes and increased frequencies are critical to attracting more riders – not only the transit-dependent, but tourists and discretionary or occasional riders.
- Interviewees consider Salem-Keizer Transit to be efficiently administered.
- The Transit District’s obligation for its share of Courthouse Square repair is \$7.2 million, about \$3.1 million of which is covered by an insurance settlement.
- Dependency on transit will increase as the “baby-boom” population ages.
- Costly additional social services can become necessary when people are unable to work or access training or other services due to lack of transportation.
- Decades of auto-oriented development made densities and street layout in Salem-Keizer difficult to serve by transit. Recent transit-oriented development is making a difference.
- Buses are a safe transportation choice in terms of personal safety and traffic safety.
- Encouraging youth transit ridership is key to their future use of the system. The free youth pass program (available 2009-10 and 2010-11 school years) increased ridership substantially as well as involvement in activities before and after-school.
- Reliable and pleasant transit provides tourism benefits.
- Bike and pedestrian access improvements are a feasible way to extend the transit system to more users and may lead to improved health of community residents.
- Public awareness is currently low regarding the availability of intercity transit (Wilsonville service and CARTS service to other cities), but usage of those services is growing.
- Technology is allowing Cherriots to improve user access to route information.
- Additional services will require additional funding. Funding is level to declining and ability to meet costs, even for maintaining current service, is projected to decline.
- Paratransit, a costly service, is required whenever regular transit service is available.
- Improved sidewalk and wheelchair access to bus stops would reduce need for paratransit.
- Costs of providing additional transit service and/or infrastructure are less than major road construction projects like additional bridges or freeway widening.
- Recruitment of new business and industry would increase property tax revenues for transit.
- Transit enhancements such as streetcars or bus rapid transit may be considered as funding becomes feasible.
- Dedicated funding streams (funding “silos”) often dictate which transportation modes get funded. This reduces local and state flexibility as to how federal and state dollars are used.
- Because of specific state legislation, Salem-Keizer Transit is not authorized to institute a payroll tax without the approval of district residents in an election.
- Many U.S. cities have made the initial expenditure to develop streetcar systems, most with federal funding help. These systems have been a factor in spurring development and ridership.
- None of the cities or counties served by Cherriots or CARTS provide funding for transit at this time. Some cities and counties elsewhere in Oregon and other states support bus, light-rail, or streetcar systems with General Fund monies, payroll taxes on local government employees, or parking fees.

Appendix 1

Cherriots Ridership by Route - July 2011- June 2012⁶⁵



⁶⁵ Salem-Keizer Transit Data

Appendix 2

Service Improvement Options for Salem-Keizer Transit

Scenario	Description	Weighted Results	Estimated Annual Cost	Property Tax Rate / \$1,000
Increase Frequency				
Increase frequency on some routes	-Increase frequency on selected heavily used routes -Eliminate peak / off-peak schedules and maintain consistent frequency throughout the day on all routes	81	\$3,779,587	\$0.29
Add Saturday Service				
Add hourly Saturday service	-Addition of Saturday service with all routes operating on hourly frequency for most routes -Service day would operate from 7:00 am to 7:30 pm	107	\$1,746,213	\$0.13
Add Saturday service with current weekday frequency	-Addition of Saturday service with all routes matching the current weekday peak / off-peak frequency -Service day would operate from 7:00 am to 11:30 pm		\$2,900,145	\$0.22
Add half-hourly Saturday service	-Addition of Saturday service with all routes operating on 30 minute frequency for most routes -Service day would operate from 7:00 am to 11:30 pm	84	\$3,171,764	\$0.24
Extended Evening Weekday Service				
Extend evening service with current frequency	-Extend evening service with the last trip for all routes leaving downtown at 11:30 pm -Maintain existing service frequency for all routes		\$1,558,428	\$0.12
Extend evening service with increased frequency	-Extend evening service with the last trip for all routes leaving downtown at 11:30 pm -Increase service frequency on most routes	100	\$5,537,467	\$0.42
Increase Service Coverage for Weekday Service				
Add the equivalent of five new routes	-Additional routes to fill in developed areas lacking service throughout the Salem-Keizer area	78	\$1,428,428	\$0.11
Comprehensive Service for Weekday and Saturday				
Comprehensive six day service	-Comprehensive six day service -Increased weekday service -Extended evening service with increased frequency -Saturday 30-minute service from 7:00 am - 11:30 pm -Additional routes to cover areas not currently served		\$10,474,571	\$0.80

Service day end time is based on the time the last bus serving downtown will depart the downtown transit center. Buses will be in operation to the end of the route before going out of service. Buses not serving downtown will make one more trip after connecting with the last bus leaving downtown.

Appendix 3

Streetcar Examples in Mid-Sized Cities⁶⁶

- **Memphis:** three streetcar lines (opening 1993, 1997, and 2004) were 80% federally funded with the 20% local match coming from the city general fund. General funds also contribute to operating the system.
- **Portland:** the 2.4 mile streetcar line between the Pearl District and Portland State University opened in 2001 was extended 1.2 miles in 2005. Ridership steadily increases. Funding for the original segment (\$57 million) included a mix of City parking bonds (50%), Local Improvement Districts (17%), Tax Increment Financing (13%), federal funds (10%), and smaller sources. Operating is funded mainly by TriMet, parking meter revenues, and fares. An extension of the Portland Streetcar to OMSI began service September 22, 2012.
- **Tampa:** the 2.4-mile line cost \$32 million for track construction. The line was built in 2003 with 62% federal and state funds and 38% local funds from gas-tax bonds. Operating funds include sponsorships and a voluntary assessment within downtown.
- **Tacoma:** this 2003 line links with the Sounder Commuter Rail to downtown Seattle and is separated from vehicle traffic. The \$80 million local funding was part of a package approved by voters in 1996 that included new sales taxes, vehicle taxes, and rental car taxes. Operating revenue is primarily from local sales taxes.
- **Little Rock:** the 2.5 mile heritage streetcar opened in 2004 and expanded to 3.4 miles in 2007. Initial cost was \$20 million. It crosses the Arkansas River Bridge serving cities on both sides.
- **Charlotte:** a two-mile extension in 2005 was funded (construction and operation) partially by a voter approved local sales tax. The local convention center, Arts and Science Council, and transit district also contribute.
- **Other cities:** Tucson, Charlotte, Cincinnati, and Salt Lake City announced in 2010 that they had received sufficient funding, including U.S. Department of Transportation TIGER⁶⁷ discretionary grant moneys, to begin implementing streetcar systems.

⁶⁶ Central Salem Streetcar Feasibility Study, Nelson/Nygaard Consulting Associates, 2005.

http://cherriots.org/sites/default/files/salem_streetcar_report.pdf

⁶⁷ Transportation Investment Generating Economic Recovery Grant Program pursuant to the 2009 American Recovery and Reinvestment Act

List of Interviewees:

Anna Peterson	Mayor of Salem
Cathy Clark	Keizer City Councilor and Chair of SKATS
Dan Clem	Salem City Councilor and Co-Chair of the Community Transit Task Force
Jerry Thompson	Salem-Keizer Transit Board
Allan Pollock	General Manager, Salem-Keizer Transit
Ray Burstedt	President of Strategic Economic Development Corp (SEDCOR)
Richard Schmid	Mid-Willamette Valley Council of Governments
Jason Brandt	President, Salem Area Chamber of Commerce
Lloyd Chapman	Former Salem-Keizer Transit Board Member
Judge Jane Aiken	Presiding Judge, Salem Municipal Court
Mona West	Salem-Keizer Transit
Geoff Heatherington	Polk County Mental Health Department
Marty Silbernagle	Polk County Community Corrections
Scott Pipher	Dallas WorkSource
J.R. Jones	Dallas WorkSource
Maggie Bagon	Social Service Specialist, OR Dept of Human Services Child Welfare
Students and other bus riders at Western Oregon University, a Dallas stop, and a Salem stop	

Additional Resources:

Reconnecting America. Midsize Cities on the Move – Rapid Bus, Bus Rapid Transit, and Streetcar Projects in the US. 2012. <http://reconnectingamerica.org/assets/Uploads/20121206midsizefinal.pdf>

Reconnecting America. Putting Transit to Work in Mainstream America. 2012
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<http://www.salemrivercrossing.org/AlternateModesStudy.aspx>.

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Bailey, Linda (STPP). 2003. Aging Americans: Stranded Without Options. Available at:
http://www.transact.org/library/reports_html/seniors/aging.pdf

Transit Cooperative Research Program Report #20: *Measuring and Valuing Transit Benefits and Disbenefits*. Transportation Research Board. 1996.
http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_20.pdf

Multi-Modal Transportation Options

