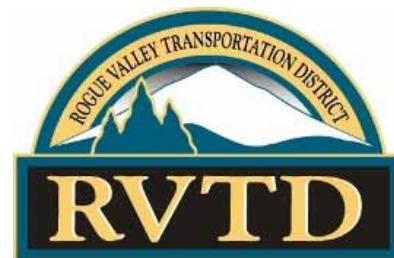


District Boundary Assessment

Rogue Valley Transportation District

April 2011



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The contents of this document do not necessarily reflect views or policies of the State of Oregon.

Table of Contents

Acknowledgements	ii
RVTD Board of Directors	ii
Technical Advisory Committee	ii
Citizen Advisory Committee	ii
Table of Contents	iii
1 PROJECT PURPOSE AND FRAMEWORK	1
1.1 OVERVIEW	1
1.2 STUDY AREA (TM #1)	1
1.3 BOUNDARY CHANGE PROCESS (TM #2)	2
1.3.1 Annexation	2
1.3.2 Change of Organization	2
1.3.3 Policy Choices	3
2 TECHNICAL ANALYSIS SUMMARY	3
2.1 LAND USES AND GROWTH PROJECTIONS (TM #3 & TM #5)	3
2.2 TRANSPORTATION SYSTEM (TM #4 & TM #9)	5
2.3 DETAILED ANALYSIS AREAS (TM #7 & TM #8)	5
2.3.1 Eagle Point	5
2.3.2 West White City	5
2.3.3 Tolo	5
2.4 COSTS AND REVENUES (TM #6)	6
3 PUBLIC PROCESS	7
3.1 TECHNICAL ADVISORY COMMITTEE (TAC)	7
3.2 CITIZENS ADVISORY COMMITTEE (CAC)	7
3.3 RVTD BOARD OF DIRECTORS	7
3.4 SURVEY RESULTS	7
3.5 PUBLIC OPEN HOUSE	10
4 CONCLUSIONS	11
4.1 EAGLE POINT (Atlas Page 12)	11
4.2 WEST WHITE CITY (Atlas Page 13)	11
4.3 TOLO (Atlas Map 14)	11
4.4 NORTH CENTRAL POINT (Atlas Page 15)	11
4.5 SOUTHEAST ASHLAND (Atlas Page 16)	12
5 APPENDICIES	13
5.1 BOUNDARY ASSESSMENT ATLAS	13
5.2 TECHNICAL MEMORANDA	14
5.2.1 Technical Memo #1	14
5.2.2 Technical Memo #2	16
5.2.3 Technical Memo #3	25
5.2.4 Technical Memo #4	35
5.2.5 Technical Memo #5	45
5.2.6 Technical Memo #6	56
5.2.7 Technical Memo #7	82
5.2.8 Technical Memo #8	92
5.2.9 Technical Memo #9	96
5.3 SURVEY DATA	104
5.3.1 Survey Text	104
5.3.2 Raw Data	106
5.4 TAC MEETING MINUTES	109
5.5 CAC MEETING MINUTES	126

1 PROJECT PURPOSE AND FRAMEWORK

1.1 OVERVIEW

The purpose of the RVTB Boundary Assessment project was to evaluate if and where changes to the RVTB Boundary may be appropriate in the near future and over the longer term. The RVTB boundary is in substantially the same configuration as it existed in the original formation of the district. The region has experienced significant growth since the original boundary was established in 1975. Major growth planning projects describe where growth is likely to occur. For these reasons, a review of the RVTB boundary is timely and that is purpose of this project.

This study was funded by the Oregon Department of Transportation through a Transportation and Growth Management (TGM) Grant. The structure of the project was to develop a work program that resulted in a series of technical memoranda that provided the research and analysis that support this final report. These technical memoranda examine each of their respective topics in detail. These memoranda are located in the Appendix. For ease of reference, the major headings of the final report contain parenthetical references to the Technical Memoranda that address the topic in that section. For example the next Section 1.2 below refers to “(TM #1)” which indicates Tech Memo #1 is where more detailed information about that topic can be found.

1.2 STUDY AREA (TM #1)

Atlas Page 1 and 2 depicts the study area. Selection of the urban study area was based primarily upon existing development and areas and land use plans support growth. The major choice for the urban study area was extension beyond the Tolo area further to the west toward Gold Hill, Rogue River and even Grants Pass.

For several reasons, the decision was made not to extend the urban study area west. The level of development in Gold Hill and Rogue River without Grants Pass is low relative to the distance of these communities from the existing service in Central Point; thus detailed analysis of the cost-effectiveness of inclusion of these cities in isolation was not undertaken.

Extension all the way to Grants Pass also poses a funding threshold issue. The inclusion of Grants Pass would quickly accelerate RVTB past the 200,000 population threshold for “Federal 2307” operations funding, thus resulting in significant impacts to the operating funds of the district. It may be appropriate to revisit the inclusion of Grants Pass in a future boundary study if either the population threshold is increased at the Federal level or at such time as RVTB exceeds the 200,000 threshold and representatives of Josephine County and Grants Pass express an interest in exploring the expansion of RVTB to Grants Pass.

1.3 BOUNDARY CHANGE PROCESS (TM #2)

There are two ways the RVTB boundary can be changed, either through “annexation” or through a “change of organization” procedure under the statutes for special districts; RVTB is a special district under Oregon Law. This section describes the basic differences and application of each to appropriate situations.

1.3.1 Annexation

Annexation changes the boundary of RVTB without changing RVTB’s fundamental structure. Annexation regulations are found at Oregon Revised Statutes (ORS) 198.850 to 198.869. Annexation under these statutes can be initiated either by property owner petition or resolution of the RVTB Board. The procedures and criteria for annexation under those statutes vary based upon the manner in which the annexation is initiated. Whether by petition or action of the RVTB Board, the annexation statutes are relatively straightforward. RVTB’s attorney, in coordination with Jackson County Counsel, can guide the District’s actions to comport with all the annexation procedural requirements of ORS 198.850 to 198.869.

1.3.2 Change of Organization

A change of organization procedure is the other method of altering the RVTB Boundary. A change of organization goes beyond mere boundary changes. A change of organization can include components such as:

- Changes to the District’s permanent property tax rate
- Creation of differential tax zones based upon levels of RVTB service
- Institution of a payroll tax (this does not necessarily require a change of organization but could be incorporated into a change of organization proposal)
- Any governance changes

The change of organization process is much more extensive than any of the annexation procedures. If RVTB’s desired outcomes include more than simple boundary changes, then a change of organization is procedure is necessary. Change of organization procedures are found at ORS 198.750-198.775. This body of law is somewhat disjointed. Prior to undertaking a formal change of organization process it is recommended that RVTB’s attorney undertake or commission a legal analysis of the correct application of the law to the changes sought along with a thorough case law review on the correct application of change of organization procedures to the specific proposal.

The RVTB Boundary Assessment has identified the opportunity for the creation of differential tax zones based upon levels of service. If RVTB experiences continuing interest in this policy option, then a careful legal analysis is recommended. That analysis should focus on the boundary change procedures of the differential tax zones following their initial creation through change of organization. The legal analysis should determine whether the boundary of the differential tax zones can be changed solely through an annexation process or if a new change of organization process would be required. If the boundary could be changed solely through annexation then the differential tax zone

policy option appears more attractive than if a new change of organization procedure were required for any boundary change.

1.3.3 Policy Choices

Intertwined with boundary change procedures are policy choices for the district. Appropriate stewardship requires boundary change procedures to be in lock-step with the policy objectives. The following simplified set of circumstances provides general guidance to assure procedures are properly matched to their associated the policy choices:

- If the area of boundary change involves relatively few property owners (about 20 or less), then petition by annexation would be the preferred method. If those property owners truly desire service, then the action of petition makes this commitment to the district explicit.
- If the area of boundary change involves some, but not a large number of property owners (about 25 to 150), then petition by annexation or initiation by the RVTB Board may be appropriate. Under this scenario, neither procedural option is preferred. The appropriate procedure should be evaluated on a case by case basis.
- If the area of the boundary change involves many property owners (about 175 or more) and no structural changes to other aspects of RVTB are required or sought, then the preferred method for annexation would be initiation by action of the RVTB Board. As the number of property owners grows, the annexation by petition process becomes more and more challenging.
- If the boundary change is one part of a larger proposal that includes more than just boundary changes, then a change of organization procedure is required.

2 TECHNICAL ANALYSIS SUMMARY

The RVTB Boundary Assessment project included considerable technical work regarding future land uses, future growth, transportation facilities, revenue implications and cost implications of the most likely boundary change alternatives. This section presents a brief summary of each of these components. For a detailed discussion of data sources, analysis methods and results, see the individual technical memoranda on that topic referenced in parentheses in each major heading.

2.1 LAND USES AND GROWTH PROJECTIONS (TM #3 & TM #5)

The project analyzed existing and future land use conditions. The purpose of this analysis was to determine the intensity of land use outside the district and project future land use intensity inside and outside the district boundary.

Analysis of land use intensity outside the current boundary is important to RVTB because it provides a basis to estimate existing tax revenues and other revenues that would be expected to result from the extension of the boundary to prospective areas. It also provides a basis to evaluate the degree to which future land uses are likely to result in changes to demand for transit services.

Future land uses are important to RVTD both within and outside the existing boundary. Growth within the existing boundary increases marginal revenue and marginal demand for services within the boundary. Growth outside the boundary has the potential to increase revenues and demand for service in absolute terms because these areas would be added to the district.

The analysis classified every parcel of land within the study area into one of four major categories: Urban Built, Rural Enduring, Urban Fully Planned and Urban Growth Planning. Urban built are those lands where no new development is expected to occur because the area is built-out. Rural Enduring are fully built rural lands where no land use plans have been adopted or are under review plan for changes. Urban Fully Planned are those urban developable lands that have adopted and acknowledged land use plans in place and no changes to those plans are expected. Urban Growth Planning are those lands where existing land uses will allow for substantial urbanization and where land use plans are expected to change significantly, such as lands identified as Urban Reserves in the Regional Problem Solving process currently under review by Jackson County.

Atlas Pages 6-9 depicts the land use projections for employment and population used in the analysis. These maps show significant increases in density of employment and population as the region builds out under the Regional Problem Solving land use plan and existing land use plans. The following table depicts the results of the land use analysis:

Table 1
Land Use Conditions Summary Table

LAND USE CONDITIONS SUMMARY TABLE		Existing Land Use Conditions (Includes Rural Enduring and Urban Built and Built Urban Growth Planning (PH-3))		Urban Fully Planned		Urban Growth Planning (Existing Built in Prior Column)		Full Build-Out	
		Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total
Lot within Half Mile of Existing Route	Lot Area	24,225	23.9%	3,874	41.9%	2,820	25.3%	30,919	25.4%
	Population (modeled)	98,338	64.4%	15,551	38.2%	11,225	23.5%	125,114	51.9%
	Employment (modeled)	58,281	87.5%	17,718	78.6%	14,948	60.4%	90,947	79.6%
Lot Centroid within District Boundary	Lot Area	76,081	74.6%	8,243	89.1%	8,273	74.2%	92,597	75.7%
	Population (modeled)	140,818	92.2%	36,820	90.4%	39,831	83.3%	217,469	90.2%
	Employment (modeled)	63,981	96.1%	21,737	96.4%	21,266	85.9%	106,984	93.7%

The analysis shows that the percentage of employment and population outside the district but within the study area will increase if the boundary does not move. If no additional service routes are added, the analysis shows that the percent of employment and especially population that are within a half mile of fixed route transit service will decrease.

2.2 TRANSPORTATION SYSTEM (TM #4 & TM #9)

The project analyzed transportation facilities and planned improvements within the study area from the standpoint of transit service. Generally, the transportation systems in the area are either appropriately configured or can be improved through public facility improvement planning. The analysis recognizes that timing of public facility improvement planning has the potential to affect some areas as the region grows. It is recommended that RVTD become more engaged in jurisdictional exchange processes and work with local and state public works agencies to express the urgency of certain types of facilities for viable transit service- especially those necessary to meet ADA requirements.

2.3 DETAILED ANALYSIS AREAS (TM #7 & TM #8)

The land use analysis identified areas within the study area where growth is planned and where urban transit service warrants more detailed analysis. Three major areas were identified and analyzed in greater detail.

2.3.1 Eagle Point

The analysis area for Eagle Point is identified in Atlas Page 12. Eagle point is a city with approximately 8,855 people in 2010. Eagle Point is planned to grow to about 17,500 people over the next twenty years. Eagle Point is the largest City in Jackson County that does not have transit service. It is projected to grow at a higher rate than any other city in the Jackson County. The existing RVTD Boundary's northern most point is the VA Domiciliary on Oregon Highway 62. Eagle Point's southernmost City limits are approximately 2 miles north of the VA Domiciliary along Oregon Highway 62.

2.3.2 West White City

This analysis area is west of Table Rock Road and is depicted in Atlas Page 13. The area includes employers such as Amy's Kitchen, Rogue Disposal & Recycling, Linde Electronics, and Pacific Crest Transformers. The RVTD long-range plan identifies the need for a new route to serve the industrial area of White City. This route would terminate in a loop along Table Rock Road. The analysis area contemplates the extension of this loop to include a portion of Kirtland Road (new Highway 140) to its intersection with West Antelope Road and along West Antelope Road back to Table Rock. This area already has a high concentration of employment and there is room for a few additional companies over time.

2.3.3 Tolo

This analysis area is depicted in Atlas Page 14. The area currently has a large employer in Erickson Air Crane Inc. and some other employment that includes Knife River Corporation, Southern Oregon Redi-Mix LLC and Cross Creek Trucking. The existing and planned employment concentrations are several miles from the existing RVTD Boundary to the south in Central Point and to the east in White City. The Tolo area is a large area that also includes significant amounts of farm land where no urban growth is planned to occur. The area is planned for significant employment growth in the RPS plan. However, the type of employment contemplated for this area is still expected to be relatively land intensive with comparably low employment densities.

2.4 COSTS AND REVENUES (TM #6)

In order to assess the appropriateness of a particular area for inclusion in RVTB, or any service district for that matter, it is necessary to analyze the cost of service relative to the revenues that will be generated by the service area. The summary provided here is simplified to a considerable degree; analysis methods and associated mathematical models are detailed in Tech Memo #6.

The analysis in this project estimated current revenue potential from direct revenues due to ad valorem property taxes by adding the assessed value for the detailed analysis area, less a small discount for uncollectable taxes due to non-payment, urban renewal and similar factors. Property taxes for future years were based upon 3 percent increases on existing land uses plus future growth. The growth was assumed to include future land uses of similar types that are expected to generate similar rates of direct property taxes as they develop out. Total revenues for both current and future years were expected to be proportional to tax revenues for potential expansion areas. Revenues for current and future years were estimated for several changes in base property tax rates and the addition of payroll tax.

A cost spreadsheet model was developed for the cost analysis. This model estimates cost of transit service based upon route miles, frequency of service in a day, annual operation days, and cost per mile of transit service. RVTB staff can use the model as a planning tool to consider costs for existing service levels as well as expanded services contemplated in RVTB's Long Range Plan. The below table compares the estimated costs and total revenues associated with the three potential boundary expansion areas:

Table 2

Boundary Assessment Cost and Revenue Summary

	Existing Service Levels	Saturday Service	Extended Hours	Total Cost	Increased Revenues
Existing Routes		\$ 924,791	\$ 1,511,782	\$ 2,436,573	
West White City Expansion	\$ 30,973	\$ 5,242	\$ 14,295	\$ 50,509	\$ 32,172
Eagle Point Expansion	\$ 142,681	\$ 24,146	\$ 65,853	\$ 232,679	\$ 219,286
Tolo Expansion	\$ 419,163	\$ 70,935	\$ 193,460	\$ 683,558	\$ 63,827
Total Marginal Cost	\$ 592,816	\$ 1,025,114	\$ 1,785,389	\$ 3,403,319	\$ 315,285
Total Costs	\$ 5,606,741	\$ 6,631,855	\$ 7,392,130	\$ 9,010,060	

The analysis indicates the West White City expansion at existing service levels costs roughly the same as the total projected revenues. However, expanded service in West White City would cost slightly more than total revenues. Expansion into Eagle Point would result in somewhat more revenues than the cost of existing service levels, but expanded service would cost slightly more than the marginal additional revenue. The Tolo area would cost approximately seven times more to serve than the revenue generated from inclusion and expanded service would cost approximately ten times more than the total revenue generated from inclusion.

3 PUBLIC PROCESS

The Boundary Assessment study included a review and input process to assure that technical details and policy questions were raised and vetted in a constructive context. This section describes those project components.

3.1 TECHNICAL ADVISORY COMMITTEE (TAC)

The Technical Advisory Committee consisted of the members listed on the acknowledgements page of this final report. Their role was to provide technical review and perspective from affected agencies in a series of five meetings. Generally, the individuals on this committee are familiar with transit operations and their job functions can be affected by transit service choices of RVTD. Overall, the group was engaged in the process and provided valuable feedback and comments at each stage in the assessment study. Minutes from the TAC meetings are published in the Appendix.

3.2 CITIZENS ADVISORY COMMITTEE (CAC)

The Citizens Advisory Committee consisted of the members listed on the acknowledgements page of this final report. They were selected based upon expectations that they would review and provide perspective from a wide range of political and life experience viewpoints; all were believed to have an interest in the outcome of the boundary assessment project. The individuals on this committee are familiar with transit operations generally and are aware of acute implications for their specific interest groups or personal experiences. Overall, the group was engaged in the process and provided valuable feedback and comments at each stage in the assessment study. They emphasized the need for a cost model as part of the project and project contingency funds were deployed to develop this model which strengthened the final results. Minutes from the CAC meetings are published in the Appendix.

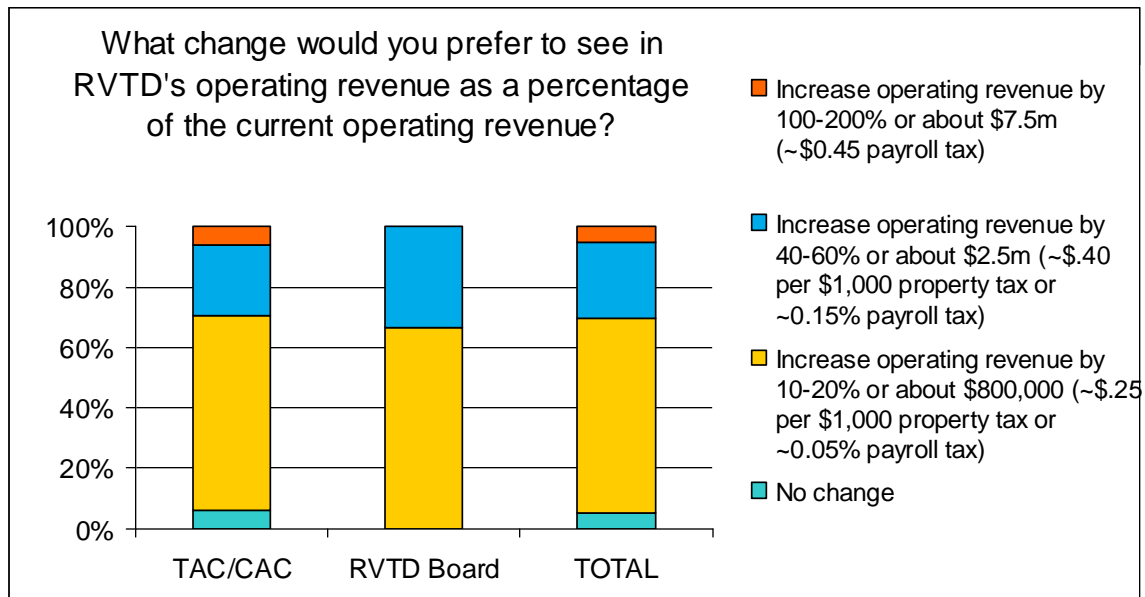
3.3 RVTD BOARD OF DIRECTORS

The project included two meetings with the RVTD Board of Directors, on December 8, 2010 and one in March 9, 2011. The meetings were largely informational and provided general description of the analysis methods and the major findings of the assessment. The RVTD Board may elect to take up one or more of the boundary changes contemplated in this study in the coming months and years.

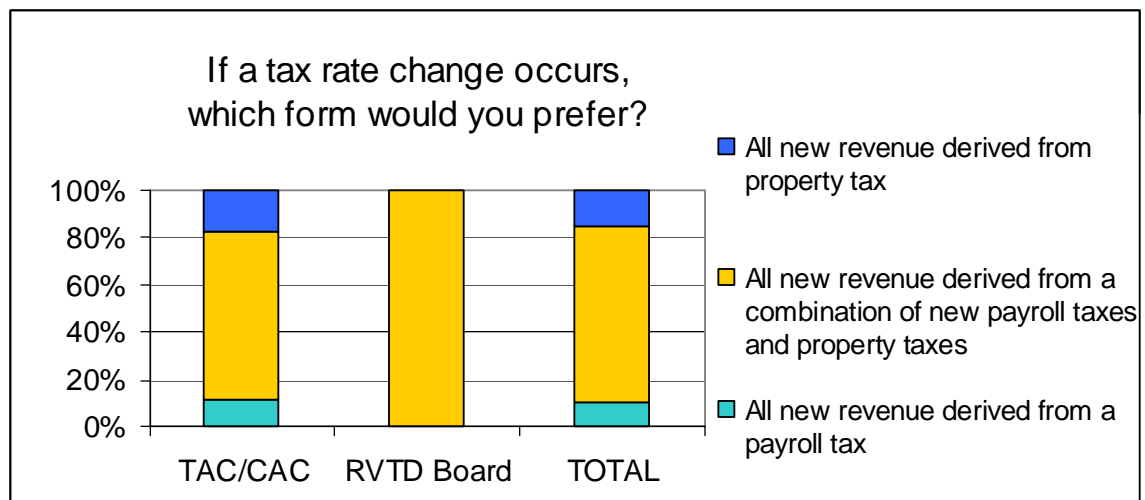
3.4 SURVEY RESULTS

Once all the major analytic components had been completed, the project involved a survey of the TAC, CAC and RVTD Board of Directors. This was not a random survey. It represents informed opinions of those who spent time studying and learning about the assessment project and its issues. The actual survey and raw results are published in the Appendix. Survey questions are paraphrased in the graphs below, but actual survey question language was somewhat more precise. The summary results are presented in this section.

The first question is really one of funding level preferences of the respondents. This question was asked to gauge whether there is any consensus regarding overall funding levels and how these opinions might relate to subsequent questions on boundary changes.

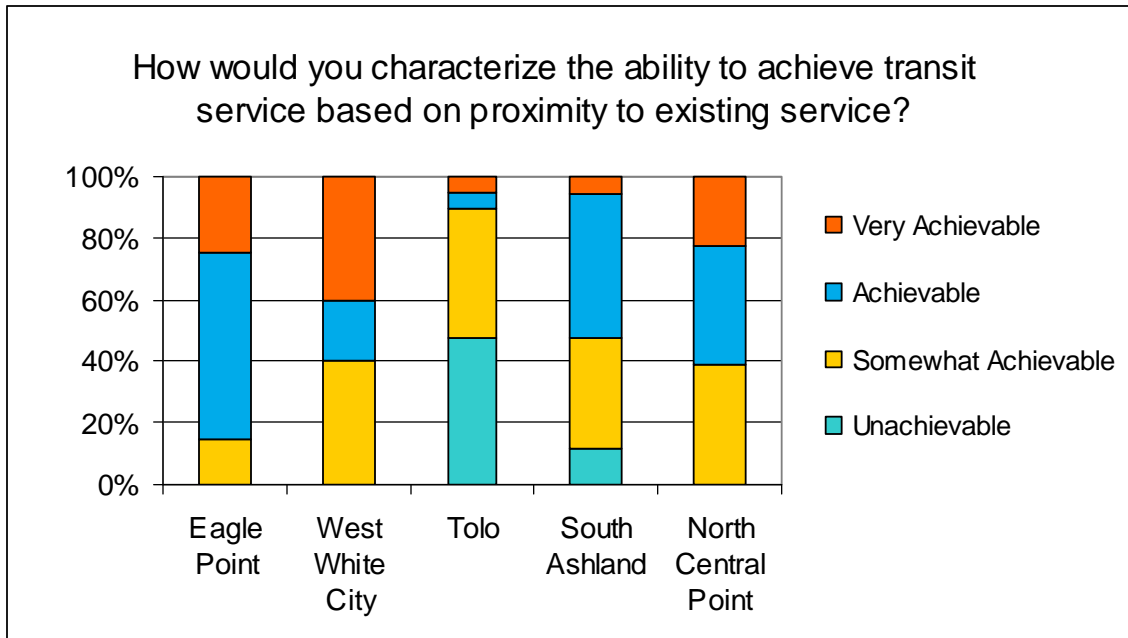


The results of question one show a somewhat surprising level of consistency with the majority of respondents preferring a revenue increase of 10-20% of operations. The next question simply relates to the type of taxation method preferred.

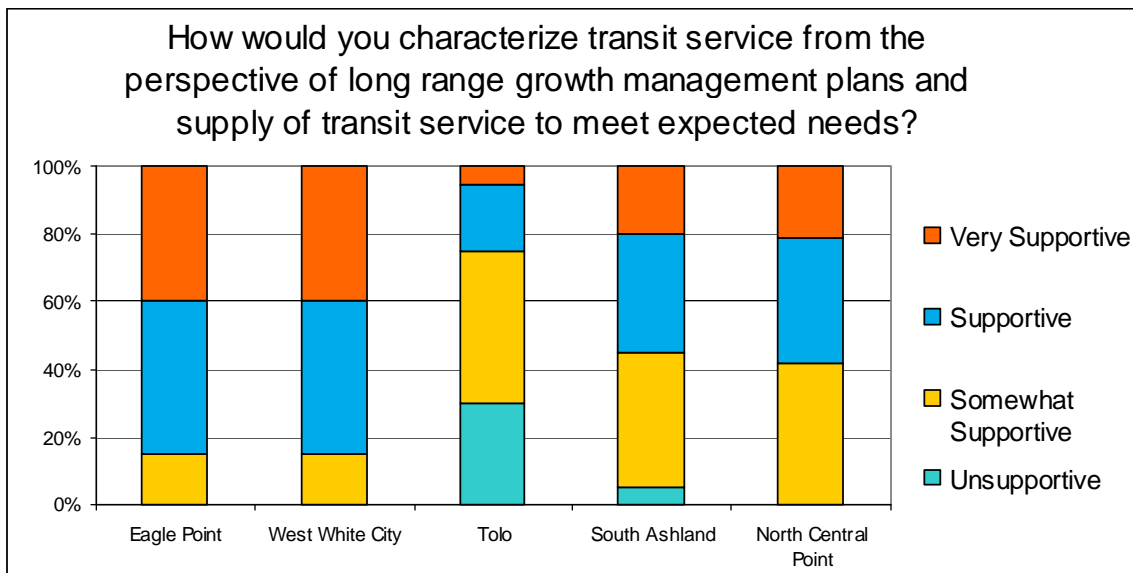


Again there is a strong preference for new revenue to come from a combination of payroll and property taxes among the respondents.

The next question relates to respondents' basic impression of the serviceability of areas analyzed in the Boundary Assessment project.



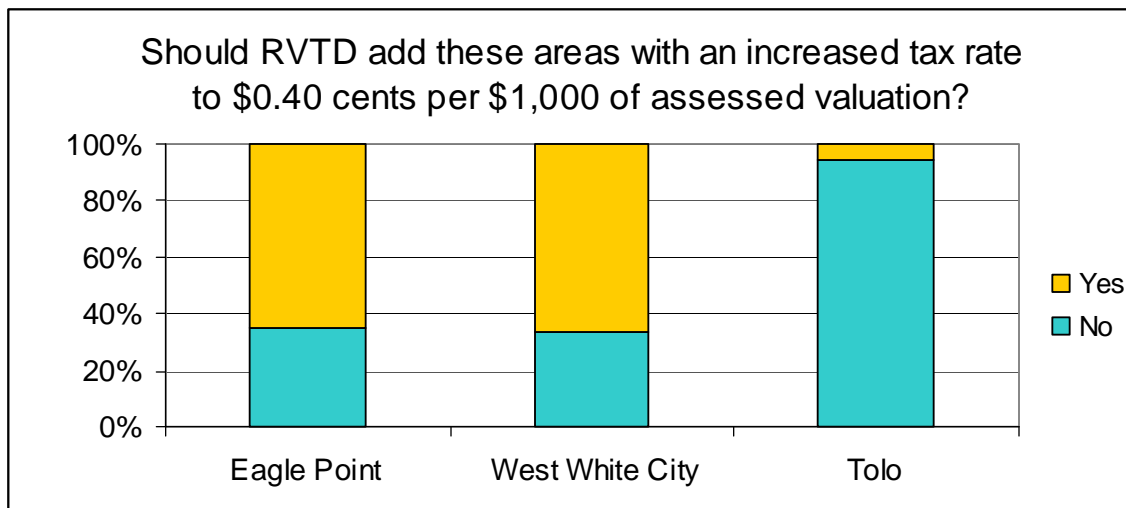
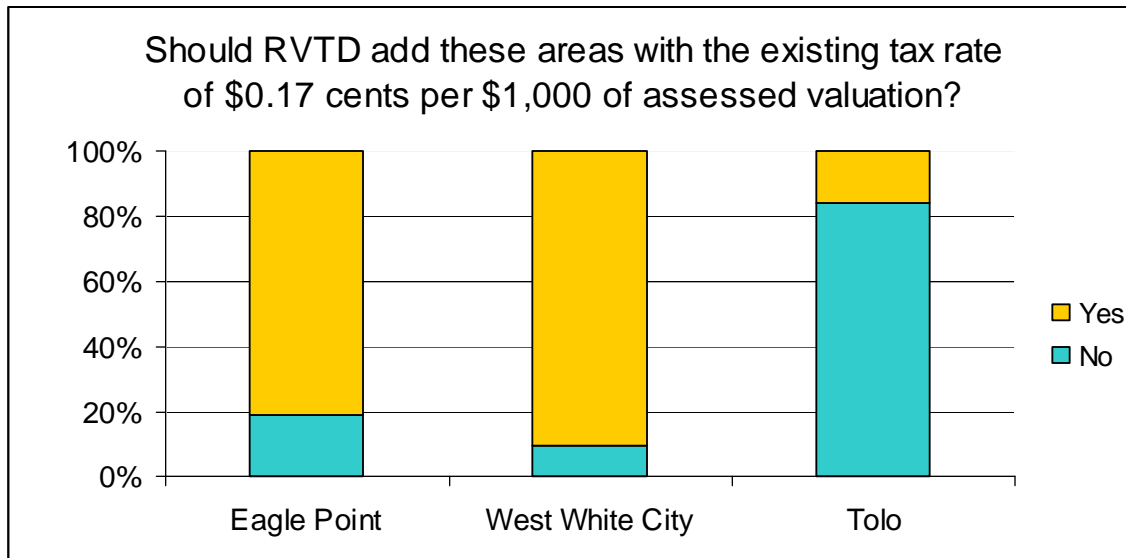
Respondents' characterized Eagle Point, West White City, South Ashland, and North Central Point as achievable for transit service to varying degrees. Eagle Point is identified as being the most achievable. Respondents' impressions are that transit is not achievable in the Tolo area.



With respect to long range planning, respondents characterized all the areas as being at least somewhat or more supportive of transit. Eagle Point and West White City were identified as being the most consistent with long range planning in the study area.

With respect to actual changes to the boundary, respondents were asked about the addition of each major expansion area evaluated in the assessment project under one of

two funding scenarios. The first being the existing funding scenario and the second being an increase in operating budget of approximately 40%-60%.



Under either funding scenario, the majority of respondents recommended including Eagle Point and West White City and not including the Tolo area. Interestingly, the support for inclusion goes down with the increased revenue scenario. An intuitive explanation for this difference is not apparent. It may indicate that inclusion of these areas may garner more support if it were done prior to any change in the district's taxing structure, but this is a relatively small non-random sample upon which to draw any more generalized conclusions about perceptions of the public-at-large.

3.5 PUBLIC OPEN HOUSE

[RESERVED]

4 CONCLUSIONS

This section presents the Boundary Assessment conclusions by area evaluated for inclusion. Atlas Page 17 depicts the district boundary if all the below areas were included in the district with the exception of the Tolo area.

4.1 EAGLE POINT (Atlas Page 12)

Those who participated in the project review and process characterized transit service to Eagle Point as achievable and recommended inclusion, assuming the technical work on costs and revenues. The technical work in Tech Memos 3 through 7 indicates inclusion does not appear to be cost prohibitive and appears reasonable from a service planning perspective.

Ultimately, inclusion of Eagle Point should be in collaboration with the City of Eagle Point staff and the elected leadership. The next step would involve parallel processes with political dialogue between the RVTB Board and the Eagle Point City Council as well as more detailed planning work by the RVTB Staff and City of Eagle Point staff. This detailed planning work is well laid forth in the City's recently adopted Transportation System Plan and should be undertaken.

4.2 WEST WHITE CITY (Atlas Page 13)

Those who participated in the project review and process characterized transit service to West White City as achievable once the rest of the White City Industrial area is served by the route planned in RVTB's Long-Range Plan. Those who participated recommended inclusion, assuming the technical work on costs and revenues. The technical work in Tech Memos 3 through 7 indicates inclusion does not appear to be cost prohibitive and appears reasonable from a service planning perspective once the service to the rest of the White City Industrial area is operating (or at least in the upcoming year's budget).

The addition of this area is largely dependent on the desire of the property owners to obtain service. There are few property owners and annexation would appear to be a relatively straightforward matter if the property owners petitioned for annexation.

4.3 TOLO (Atlas Map 14)

Neither the technical work nor the opinions of those who participated in the public process for the Boundary Assessment supported the inclusion of the Tolo area now or in the reasonably foreseeable future. If there are unmet transit needs for target employers in this area, then other strategies such as van pools may be viable and should be explored as a potential alternative to fixed route RVTB transit.

4.4 NORTH CENTRAL POINT (Atlas Page 15)

This is really a collection of areas outside the RVTB boundary where the City of Central Point plans to grow. These are relatively small areas and the rest of Central Point is already in the district and receives service. There was support among the participants in the public process that service is achievable in this area. It is recommended that RVTB

staff work with City of Central Point staff to establish criteria for RVTD annexation as a necessary criterion for municipal annexation. These types of criteria are commonplace among municipal annexation requirements.

4.5 SOUTHEAST ASHLAND (Atlas Page 16)

Southeast Ashland is near the terminus of an existing bus loop. This is a small area that mainly includes the municipal golf course and a few other private property owners. It would appear annexation of this area would be a relatively straightforward matter if desired by the City of Ashland. Transit demand will remain relatively low as long as the land use remains a golf course, but dialogue in Ashland has sometimes contemplated conversion of this land to more intensive urban uses. If this occurs, it would appear transit would be an appropriate urban amenity. If a development proposal takes shape, it is recommended that RVTD communicate the potential benefits of annexation for the City's consideration. If the City expresses desire for annexation then City staff and RVTD staff should collaborate on a plan to annex and extend service.

5 APPENDICIES

5.1 BOUNDARY ASSESSMENT ATLAS

The Atlas is a compendium document under separate cover.

5.2 TECHNICAL MEMORANDA

5.2.1 Technical Memo #1



Technical Memorandum #1

To: Rogue Valley Transportation District
Date: August 9, 2010
Subject: Task 1 Draft Study Area Mapping

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This memorandum explains the methodologies for determining the analysis study area. The purpose of the study area map is to illustrate target areas of analysis consistent with the regulatory framework governing potential revisions to the Rogue Valley Transportation District (RVTD) Boundary.

The following overlays were selected as key elements relevant to development of the analysis boundary:

- Existing RVTD Boundary
- Existing RVTD Route Corridors
- RVTD Long Range Plan Service Scenarios
- RVTD Long Range Plan Route Corridors
- Municipal Urban Growth Boundaries (UGBs)
- Regional Problem Solving (RPS) Draft Future Growth Areas (FGAs)
- 2000 Census Urban Areas (UAs) and Urban Clusters (UCs)
- Metropolitan Planning Organization Boundary (MPO)
- Topography
- Transportation Network
- Development Patterns (Building Outlines, Tax Lots, Assessment Improvement Data).

A critical question that needs to be considered at the outset of this project is whether the Urban Study Area should be extended along the Rogue River and all the way to Grants Pass. The consultant's understanding is that RVTD is not actively pursuing expansion into Josephine County and the Josephine County Board of Commissioners is not demanding such expansion at this time. At least one, if not both, of these political actions would be necessary conditions to give serious analytic consideration to this possibility. For this reason, it is recommended that if this project results in new-found political support for such an aggressive action, it may be appropriate for a Josephine County specific boundary expansion analysis, i.e. a second phase and extension of this analysis.

As outlined in CSA's Technical Memorandum #2 dated June 24, 2010, there is a fundamental difference in the way federal transportation funding is allocated based on Urban vs. Rural service boundaries. The study area boundary map places all lands within Jackson County into two categories based on this understanding. The primary focus of the analysis was geared to development of an Urban Study Area.

Generally, the Urban Study Area Boundary is intended to include lands that should later (in this process) be examined in detail to determine their likelihood of meeting RVTD boundary requirements over the projected planning period for urban services. Said boundary inclusion requirements are heavily dependent on density and urbanization. Lands not identified as Urban Study Area candidates comprise the remaining lands within Jackson County. Said lands are not excluded from further study. Rather, **all of these lands fall into the category of Rural Study Area.**

All lands within the existing RVTD Boundary are included in the Urban Study Area. The starting point for expanding the study area beyond the existing boundary began with identifying the existing RVTD Boundary in relation to the MPO, existing UGBs, 2000 Census Urbanized Areas, and draft Regional Problem Solving (RPS) Future Growth Areas.

From a broad perspective, the MPO boundary constitutes a logical extent for the urban study area. The MPO boundary represents the area of detailed transportation-related analysis under the Jackson County Transportation System Plan (TSP). The MPO boundary includes all six cities within the Bear Creek Valley being Ashland, Talent, Phoenix, Medford,

Jacksonville and Central Point. The boundary also extends north to include the City of Eagle Point, unincorporated White City, and the industrial area extending from Tolo Road and Interstate 5 to White City.

It does not make geographic sense, however, to simply select the MPO boundary as the Urban Study Area. There are many lands within the MPO periphery that lack any resemblance of urban qualities and based on draft growth plans, have little likelihood of converting from rural to urban over the foreseeable future or to be so designated by the U.S. Census Bureau.

At no location does the draft Urban Study Area extend beyond the MPO boundary and the study area was not extended to coincide with the entire MPO. All lands within the MPO that fall within an Urban Growth Boundary are included in the urban study area. All lands within a draft RPS Future Growth Area were included. All lands within the boundaries of the 2000 Census Urban Area were also included. Some of the steep lands with limited access situated west of Jacksonville were not included. Similarly, some of the steep lands extending from the hills east of Medford to the hills east of Emigrant Lake were not included. Some of the steep hills south of Ashland were also not included. The sharp ridgeline extending north from Prescott Park to Highway 140 provides a logical eastern-most extension for a study area. Note, the Jackson County Sports Park abutting this ridgeline was included. The lands east of Eagle Point and beyond all draft Future Growth Areas were excluded because of the low likelihood of conversion from farmland.

All other urban areas or urban clusters within Jackson County are significantly separated from the study area periphery to be included within the draft Urban Study Area.

There are two maps in the Atlas for this memorandum. Atlas Map 1 Study Areas is an overview illustrating both the draft Urban Study Area and full extent of the draft Rural Study Area. Atlas Map 2 Urban Study Area By Existing Land Use Main Analysis Categories illustrates all of the factors described herein above, specific to the draft Urban Study Area.

The following is a generalized list of lands included in the Draft Urban Study Area:

- Lands Within MPO and
- Within Urban Growth Boundary or
- Within RPS Draft Future Growth Area or
- Within existing RVTD Boundary or
- Within 2000 Census Urban Area

The following lands were included in the Rural Study Area:

- Lands beyond the MPO or
- Steep lands within the MPO or
- Lands within MPO separated by significant distance or physical barrier

CSA Planning, Ltd.



Mike Savage
Associate

cc. File

5.2.2 Technical Memo #2



Technical Memorandum #2

To: Rogue Valley Transportation District
Date: August 9, 2010
Subject: Review of Relevant Regulations and Planning Documents

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1. INTRODUCTION

This memo follows CSA Planning's Review and Analysis of potentially relevant regulations and planning documents that relate to confirming and/or modifying the RVTB Boundary. A CD of the downloadable regulations reviewed herein is available on request as is a list of current weblinks to the relevant regulations. The memo is structured on a topical basis in an effort to maximize the utility of the review and analysis presented herein. The primary topics are as follows-

- Regulations and laws that relate to administration and/or funding that are relevant to any modification to the RVTB boundary
- Review of agency planning documents that may effect the way service demands and/or investment resources are planned to be spatially distributed
- Policy and analytic implications for the project

This memo reviews and analyzes the regulatory framework that relates to the boundary location assessment project. Throughout the above major topics, there is an expanse of regulatory and legal materials relating to transit and RVTB's objectives generally. However, the concentration of this memo is only on the provisions relevant to the District's spatial extent and boundary location. For a law, regulation and/or plan provision to be analyzed in significant detail, it had to be answered in the affirmative according to at least one of the following fundamental dimensions of inquiry:

1. Does the regulatory framework have the potential to advantage certain boundary choices over other potential choices?
2. Are there unexpected or surprising dimensions to the regulatory framework that may present as yet unidentified opportunities during the course of this boundary analysis project?
3. Does the regulatory framework have the potential to create barriers to boundary changes and/or between particular boundary choices?

Due to the sheer volume of particular regulations, this memo fundamentally serves as a review and makes no attempt to dissect the particular implications of specific regulations on particular potential policy choices. As the project evolves, more detailed research and analysis of particular regulations may be warranted to address particular policy objectives that emerge from the project.

2. ADMINISTRATION AND FUNDING

2.1. Federal Transit Administration (FTA)

The Federal Transit Administration (hereafter FTA) provides funding to local transit agencies according to a major distinction between urban and rural areas. Urban areas include three tiers of small (50,000-199,999 population), medium (200,00-999,999 population) and large (1,000,000 or more in population) urban areas, the funding review and approval process for most federally-funded projects is undertaken directly by FTA, and the apportionment funding, (commonly referred to as Section 5307 funding), is distributed directly to service providers. In rural areas (under 50,000 population), all funding is directed to the individual states and each state has a bureaucracy that performs the review and delivery of funds for rural transit services, with FTA providing review and oversight (commonly referred to as Section 5311 funding).

Federal Funding is also available through the Job Access and Reverse Commute (JARC) program (commonly referred to as Section 5316 funding). The purpose of JARC Program is to finance projects benefiting low-income individuals to access work and work-related opportunities. Oregon receives an annual apportionment by formula from Congress for Section 5316 programs in the small urban and rural areas of the state. Since other state and federal funds are available for a similar purpose and at the same match rate, JARC funds have the potential to add flexibility in the discretionary grant process, especially where more funds are needed to finance meritorious projects.

Federal funding is also available through the Elderly Individuals and Individuals with Disabilities program (commonly referred to as Section 5310). The Elderly Individuals and Individuals with Disabilities Program provides funding for capital purchases and contracted operations services benefiting elderly individuals and individuals with disabilities. Oregon receives an annual apportionment by formula from Congress for the Section 5310 program. Public Transit Division allocates the funds through a biennial discretionary grant process. Private companies may participate through purchase of service agreements with an eligible sub-recipient. All projects funded with Section 5310 must be derived from a "locally developed coordinated public transit human service transportation plan." The funds may be used in all areas of the state—urban, small urban and rural. Additional funding for Elderly Individuals and Individuals with Disabilities is the New Freedom grant program (commonly referred to as Section 5317) funding projects that 'go beyond the ADA' or that which is required by the Americans with Disabilities Act.

RVTD currently benefits from all of the afore mentioned grant opportunities that are eligible for small urban service providers.

The FTA generally requires Bureau of the Census defined urban areas to be classified as urban. However, there is no prohibition on the inclusion of areas that could otherwise be classified as rural into an urban service area, by the applicable service provider. However, lands that are located within a Metropolitan Planning Area (the Metropolitan Planning Organization Boundary) are not necessarily required to be funded with urban funds¹. These areas are somewhat unique under the Federal geography. RVTD currently functions as a "small urbanized area" under the FTA regulations, which is an urbanized area that is between 50,000 and 199,999 people. Once an urbanized area reaches the threshold population of 200,000 then it is considered a Transportation Management Area (TMA), and Section 5307 funding can no longer be provided for operations expenses.

Rural areas are essentially the areas not identified as urban areas. Any areas that are rural may receive rural funds. Rural funds must be kept separate for any entity that provides service in both rural and urban areas and receives both rural and urban funds.

¹ FTA Circular FTA C 9040.1F

2.2. State of Oregon

2.2.1. ODOT Public Transit Division and OAR 732-005

ODOT's Public Transit Division administers rural transit program funding (Section 5311). They also administer discretionary grant programs and other transit functions as part of the State's transportation objectives and other federal transit funding described above. Aside from the rural vs. urban issues, ODOT's Public Transit Division's administration and mission may be effected by district boundary location decisions that relate to the Special Transportation Funds (STF) for transportation funds for the elderly and persons with disabilities through portion of valley lift funded by STF. However, the influence of boundary location decisions would be expected to be relatively limited and proportional with existing operations costs.

2.2.2. Oregon Revised Statutes

RVTD was formed and is organized as a Transportation District under ORS 267.510 to ORS 267.650. These statutes lay forth the specific powers and responsibilities of RVTD that relate to its functions as a Transportation District under Oregon law. The following highlight the fundamental powers and responsibilities enumerated therein:

- Authority to levy ad valorem property taxes, subject to the permanent tax limit at the time of formation of (RVTD was established with a rate of 17 cents per \$1,000 of assessed property value), pursuant to Section 11(3), Article XI of the Oregon Constitution. Statute sets a maximum ceiling rate of one half percent (or 50 cents per \$1,000 of assessed property value) of the real market value for all taxable property within its boundaries. This means the existing rate is less than a third of the maximum rate authorized under ORS 267.620. *The district may classify property on the basis of services received from the district and prescribe different tax rates for different classes of property (ORS 267.620(3)).*
- Responsibility to maintain an elected governing board.
- Power to carry out its transportation functions such as the right to enter into contracts, obtain and maintain needed facilities and equipment, fix and collect fares, and employ persons.
- Responsibility to prepare a public transit system plan and revise it from time to time.
- Other financing methods (in addition to ad valorem property taxes and service fees) if the same is approved pursuant to a properly called election held for that purpose, as follows:
 - ◊ Use of a revolving fund, pursuant to ORS 267.310
 - ◊ Sale of bonds under ORS 267.630
 - ◊ Levy of business license fees pursuant to ORS 267.360
 - ◊ Levy of income tax pursuant to 267.370
 - ◊ Payroll tax pursuant to ORS 267.380 and 267.385

In addition to the statutes specifically governing the Transportation District, the district also exists as a Special District, pursuant to ORS 198. ORS 198.705 to ORS 198.955 constitute the "District Boundary Procedure Act" and contains the relevant prescriptions and procedures for Annexation, Change of Organization, and Withdrawal. Because the RVTD project has the potential to include all or a combination of these actions, the highlights of these laws are summarized below:

- **Annexation:** Annexation is the addition of property to an existing service district where no fundamental changes to the district's organization is required. An annexation would most typically be initiated by resolution of the RVTD Board, although annexation by property owner petition is also possible. Once initiated, the annexation is forwarded to the Jackson County Board of Commissioners. If any

portion of the annexed area is within a City, the City must concur with the annexation by resolution. The criteria for approval or denial of the annexation are consistency with the local comprehensive plan and any service agreement executed between the local government and the affected district. Annexation provisions allow actual annexation to be deferred by up to 10 years. This flexibility is particularly interesting in the context of long-range planning for RVT, where it may make sense to annex some areas at certain times where future growth is planned and will be needed, but development intensities and tax base do not support immediate annexation and service delivery.

- **Change of Organization:** In researching and analyzing the relevant boundary statutes, one provision in particular appeared particularly relevant to this project and to RVT's objectives. The "Principal Act" of ORS 267.620(3) provides that RVT "may classify property on the basis of services received from the district and prescribe different tax rates for the different classes of property." This is permissive language that is similar to language contained in many other service district Principal Acts that allow the creation of Tax Zones wherein different taxation rates are applied to different areas based upon their level of service. RVT has significantly varying degrees of service levels within its boundary. Generally, lands located within a ¼ mile of the fixed routes enjoy much higher levels of service than all the other land in the district. Lands between a ¼ mile and ¾ of a mile receive the benefits of paratransit and still benefit to a significant degree from their proximity to the fixed route service. It may be worth exploring where Tax Zones have been established in Oregon and how they have functioned to more equitably distribute the tax benefits and burdens of a particular service district. Such an analysis would also benefit from analysis of potential compression limits caused by excessive taxation prohibited by the Oregon Constitution; this type of analysis would vary from city-to-city and is affected by all taxing districts to which a particular property is subject.

The creation of tax zones would require a change to the permanent rate limit for some properties that benefit from high service levels. This action would constitute a change in organization of RVT under ORS 198.705-198.955 that requires filing of a prospective petition under ORS 198.748 followed by a petition that meets the requirements of ORS 198.750-198.775 causing the Jackson County Board of Commissioners to review the petition, hold hearings on the petition and call a properly called election on said petition. The change of organization provisions are a dense and somewhat disjointed body of law. Most of the laws pertaining to this type of change require the organization to follow the procedures for a "formation of a district". However, there are several provisions that relate to "formation of a district" that could only reasonably be applied to a completely new service activity. Additional case law research, which is beyond the scope of this memo, may shed light on the application of the "formation of a district" provision to a change of organization proposal of this type.

- **Withdrawal:** Withdrawal from the district is also subject to a petition process. The petition may be provided by an individual property owner or may be filed by a collection of electors within the district who wish to withdraw. At that point, the electors of the district may put the request to an election (provided the required number of petition signatures requesting an election have been obtained) not later than the date and time scheduled for the Board of Commissioners to hear the withdrawal request. If no petition requiring an election is submitted by that time, the Board shall evaluate the petition on the basis of whether the territory described in the petition can feasibly be serviced. Thus, to hedge against risk of such a petition being filed, the District should assure that at least some level of service be available to all properties within the district and have a fee structure to recover that cost of service for any and all properties the District wishes to retain in the district over time.

2.3. Local Funding

Local funding for transit is primarily derived from one of two sources, fare box revenues and property taxes. Farebox rates are set by the RVTB Board and revenues are based upon ridership. Some fare box revenues are generated through group service costs that have the effect of writing down the cost per ride to serve major destinations and large groups of potential users, such as Rogue Community College, Harry and David and the City of Ashland Route 15. Property taxes are generated from the District's property taxing authority.

3. LAND USE AND TRANSPORTATION PLANNING

3.1. Federal Planning

The federal government has no direct land use and transportation planning responsibilities and/or entities. Instead, the Federal Government delegates these responsibilities to local and regional entities. For transit planning purposes, the principal entity prescribed by the federal government is the formation of Metropolitan Planning Organizations that perform regional transportation planning functions. In this area, this function is carried out by the Rogue Valley Metropolitan Planning Organization by and through its Regional Transportation Plan. The relevance of this plan is discussed below under Regional Planning.

3.2. State Planning

3.2.1. Statutes

Oregon's statewide planning is embodied in the statutes found at ORS 195, 197, 215 and 227. ORS 195 provides guidance on coordination agreements among various planning entities. ORS 197 provides the fundamental authorizing statutes for statewide land use planning (which includes statewide transportation planning under Oregon's system). ORS 197 provides the basic structure for the administration and function of Oregon's Statewide land use planning system. ORS 215 provides the statutes that authorize and structure County land use planning. ORS 227 provides the statutes that authorize and structure City land use planning. None of these statutes would appear to have particular effects on any particular boundary decision related to RVTB, but they guide the local planning process in ways that will indirectly affect boundary decisions through the local comprehensive plans that implement the statutes.

3.2.2. Statewide Planning Goals

Statewide Planning Goals 1-14 apply in Jackson County. The goals of most relevance to any boundary assessment project are Goals 1, 2, 12 and 14.

- **Goal 1:** RVTB is a coordinating agency under Goal 1 and RVTB is expected to make use of local citizen involvement programs for its planning efforts.
- **Goal 2:** RVTB is a coordinating agency under Goal 2. RVTB's plans that affect land use are required to be compatible with local comprehensive plans.
- **Goal 12:** RVTB is a provider of mass transit services as that term is defined in Goal 12. Local plans are required to incorporate mass transit modes in their comprehensive planning activities.
- **Goal 14:** Goal 14 requires an orderly and efficient transition from rural to urban land use. This is principally accomplished through the establishment of Urban Growth Boundaries (UGBs) that restricts urban intensity land uses outside urban growth boundaries; cities are not allowed to annex lands outside a UGB. Because of the dichotomy between urban and rural Federal funding sources, the location of a UGB is expected to affect boundary decisions because Oregon's land use system controls the physical locations that are likely to be deemed as urbanized by the Bureau of the Census. Modification of a UGB is a complex and challenging

undertaking that proceeds first by establishing the need for land over the next 20 years and second by performing an alternatives analysis of potential UGB locations. It is impossible to know well in advance the particular boundary location choices that may be made for a particular City. However, the regional land use planning process called Regional Problem Solving (RPS) provides some guidance on likely growth areas and is described below under Regional Planning.

3.2.3. Statewide Transportation Plans

ODOT maintains the Oregon Transportation Plan which is the broad umbrella policy plan under which the rest of ODOT's modal and localized plans fall. The Oregon Transportation Plan provides broad support for transit service and recognizes the need for expanded and enhanced transit service as one of the necessary tools to achieve the State's transportation needs and objectives. However, the plan's broad policy nature provides little guidance on particular geographic choices for the extent of a service district boundary. The following summarizes the more particular modal plans and local corridor plans reviewed for the project:

- **Oregon Public Transportation Plan:** This plan provides broad policy support for public transportation needs in Oregon. The plan also provides a vision for the public transportation system in 2015 and identifies the large disparities between revenue and the level of service desired by Federal and State objectives. From 1997 to 2015 the estimated gap in funding for RVTDT was estimated to be \$155 million. There are pretty extensive financial, policy, and travel demand technical materials that underpin the Oregon Transportation Plan that may prove a useful source of information on service influence areas as the boundary analysis project progresses.
- **Oregon Bicycle and Pedestrian Plan:** This plan provides policy support for bicycle and pedestrian connections to transit facilities and identifies potential funding sources to meet these needs. No information that relates to service area boundaries was identified.
- **Oregon Highway Plan:** The Policy Element of the Oregon Highway Plan includes numerous references to transit as a key policy component to meeting the mobility needs of the State of Oregon. However, these policies generally relate to ODOT actions where transit services are available, but provide little direct guidance to local decision making in selecting areas where transit service should be provided. Nevertheless, because the Highway Plan relies heavily on transit services to meet mobility needs there can be significant localized consequences from a facility adequacy standpoint where the service is unavailable.
- **I-5 Interchange #24 Interchange Area Management Plan:** The Fern Valley Interchange Area Management Plan is generally supportive of transit from a policy perspective and recognizes the need for transit stops at Highway 99 and Fern Valley Road and the need for future stops in the event fixed route service is added to North Phoenix Road.
- **I-5 Interchange #27 Interchange Area Management Plan:** The South Medford Interchange Area Management Plan is generally supportive of transit from a policy perspective, but contains no specifically relevant transit components.
- **Statewide Transportation Improvement Program (STIP):** The STIP functions as ODOT's project planning list. The 2010-2013 draft STIP is currently published and under final review. In ODOT Region 3 (RVTDT's region), various transit projects are listed most of which are RVTDT projects that relate to the federal fund transfers described above and specific projects funded thereto. The STIP is unlikely to affect particular RVTDT boundary choices.

3.2.4. Transportation Planning Rule (OAR 660-0012)

The Transportation Planning Rule provides guidance to cities and counties on the preparation and adoption of Transportation System Plans, regulation of transportation projects in rural areas, and also requires land use changes to balance transportation demands with the adequacy of transportation facilities. TPR's relationship to boundary decision making can create consequences to local governments. Local governments tend

to rely heavily on the presence of transit facilities and services to demonstrate compliance with the Transportation Planning Rule (most especially in urbanized areas). Compliance with the Transportation Planning Rule at the time of the next Transportation System Plan (TSP) review would be significantly affected where meaningful changes in the level of service resulted from a boundary decision.

3.3. Regional Planning

3.3.1. Regional Transportation Plan (& Transportation Improvement Program)

The Rogue Valley Metropolitan Planning Organization (RVMPO) prepares a Regional Transportation Plan (RTP) and updates this plan every four years. Chapter 5.8 is specifically directed at transit service. From a policy standpoint, the plan supports additional transit service and funding to support expanded service. The transportation improvement program lists the specific projects funded through the MPO's planning program. From a transportation facilities configuration standpoint, the RTP is the best guess of what the future street system will look like and therefore it is recommended that the boundary analysis project assume that future facilities will be constructed roughly in accordance with the financially constrained project list in the Regional Transportation Plan.

3.3.2. Regional Problem Solving (RPS) and the Jackson County Comprehensive Plan

The Regional Problem Solving (RPS) project is a long-range land use planning project that was initiated approximately 10 years ago and is moving through adoption proceedings with Jackson County. RPS is supportive of expanded transit service and land uses appropriate for transit service on a policy level. While this plan has several dimensions, its primary purpose is the establishment of Urban Reserves for five of the six participant cities. Urban Reserves are the highest priority lands for inclusion inside Urban Growth boundaries. If the RPS plan is adopted and acknowledged, then it will provide significant guidance on where land will become urbanized over time.

From a content perspective, the biggest impact of the RPS plan on the existing RVTB boundary are the Eagle Point area and the area around Exit 35 north of Central Point. Eagle Point is planned to grow significantly under RPS. It is expected that the State of Oregon would require serious planning consideration of fixed route transit service as part of a TSP update to accommodate that growth under the Transportation Planning Rule. The Exit 35 area north of Central Point is another area where RPS plans growth outside the RVTB District boundary. However, the growth in this area north of Central Point is expected to be relatively low density industrial employment that may not have sufficient employment densities to support fixed route service; this will be a question for subsequent phases of the analysis.

Upon adoption, the RPS plan will be a new element of the Jackson County Comprehensive Plan. For analysis purposes, it is recommended that the RVTB boundary assessment project assume the RPS plan and its associated Urban Reserve area maps will be adopted substantially as proposed into the County's Comprehensive Plan. Aside from the RPS Plan, it is the existing Urban Growth Boundaries in the Jackson County Comprehensive Plan that provide the best guidance for the project. In fact, most of the new urbanization that may occur in the next five years will occur within existing UGBs as none of the cities within RVTB's boundary are nearing immediate completion of a UGB amendment. Even following UGB amendment, it is usually at least 2-3 years before the land use and infrastructure planning is in place to support new levels of urbanization.

Aside from the urbanization element and the population elements that are largely reflected in the RPS plan, the balance of the County's Comprehensive Plan is focused on agriculture and forest land use issues and is not especially relevant for transit district boundary planning purposes.

3.3.3. RVMPO Freight Study

There was no readily apparent relevance of this study to the RVTB boundary assessment project.

3.3.4. Bear Creek Greenway Management Plan

Aside from the potential for RVTD to link with the region's greenway system and the need to know where the Bear Creek Greenway is located, this plan appears to have minimal relevance to the boundary assessment project.

3.3.5. Jackson County Transportation System Plan

The Jackson County Transportation System Plan includes policies that support transit generally and reflect the County's desires for expanded service as funds may become available. In particular, the unincorporated community of White City has been planned to be served by transit and to provide a built environment that can function to support transit over time. There is limited information in the County TSP that would result in particular boundary choices over others.

3.3.6. RVTD Long Range Plan

The RVTD Long Range Plan includes revenue and service expansion components that may affect boundary choice analysis in this project. The long-range plan investigates revenue source changes including increased property taxes and the addition of a payroll tax. The RFP for this project includes provisions to analyze the boundary effects of a .005 payroll tax within the various boundary alternatives. Evolution of this boundary analysis project may result in scenario refinements from what is contemplated in the long-range plan, but it is expected that revenue structure scenarios may affect boundary decision making.

The service expansion components explain where RVTD and the community would like to expand service. Contemplated expansion areas will necessarily affect boundary choices and it is expected that these expansion areas will serve as a fundamental input to the district boundary choices evaluated in the project.

ADDITIONAL PLANS:

Coordinated Human Services and Public Transportation Plan
5-Year Strategic Business and Operations Plan

3.4. Local Plans

The local Comprehensive Plans and Transportation System Plans (TSP) for cities already within the district support transit from a policy standpoint. These cities are expected to continue to rely on transit as one of the modes to meet Statewide Planning Goal 12 requirements for expanded transportation options. The cities currently within the district from north to south include:

1. Central Point
2. Medford
3. Jacksonville
4. Phoenix
5. Talent
6. Ashland

All the cities have approved in-process area plans that are sufficiently large that that are expected to change the spatial demands for service. There are two major Transit Oriented Developments (TOD) that are expected to significantly change the spatial extent of demand for service as well as other significant projects, summarized as follows:

3.4.1. Southeast Plan TOD

The Southeast Plan Transit Oriented Development in Medford is relatively large in scale and is located in an area underserved by transit. This area is within the UGB and most of the infrastructure planning and basic land use entitlements are in place to support growth without the need for further planning or major infrastructure delivery. This area is also immediately east of an existing underserved population and employment center west of North Phoenix Road. As the name implies, the physical planning for this area is intended to function in concert with transit service. This area is currently inside the RVTD district boundary.

3.4.2. Twin Creeks TOD

The Twin Creeks Transit Oriented Development in Central Point is similar, but at a smaller scale than the Southeast Plan area. It is also within the RVTB district boundary and is expected to result in expanded demand for service and is an area that is not currently served.

3.4.3. Croman Mill Site

This project is a fairly significant employment project in southeast Ashland that is expected to be approved in the near future and build out over the next ten to fifteen years.

3.4.4. Northgate Center

This is an 84 acre industrial and retail project that has been approved by the City of Medford, but has been delayed due to the recession. The project is located west of the Rogue Valley Mall on the abandoned Medco mill site. It is expected that the project will eventually come back to life and will build out over the next five to ten years.

3.4.5. Eagle Point

The local Comprehensive Plan and TSP most relevant to RVTB District boundary analysis is the City of Eagle Point. The City of Eagle Point abuts the district on three sides. There is some complicated administrative history where portions of the City were outside the district and portions were inside the district that eventually resulted in withdrawal of those lands within the City that were also within the RVTB boundary. It's TSP includes a policy that, "The City shall cooperate with efforts to provide affordable public transportation, investigating options such as annexing to the Rogue Valley Transportation District or entering into a contract for services with the district." Thus, the City's Comprehensive Plan supports the evaluation and consideration of annexation and this is significant from the standpoint of satisfying the criteria for annexation to the District. The procedures require initiation by the RVTB Board and a resolution of concurrence from the Eagle Point City Council to go the County to effect annexation. While the Eagle Point TSP could have stronger policy language, it would appear adequate for purposes of reaching a finding adequate for an annexation action.

4. Conclusions

The major regulatory issues identified in this analysis have raised the following questions that will be analyzed during the boundary assessment project:

- How do boundary decisions relate to the FTA distinctions between rural, small urban and medium urban service funding?
- How might property permanent ad valorem tax rate limits be changed to reflect service levels and if varying rate limits were established would changes to those boundaries be subject to "formation procedures" or "annexation procedures" under ORS 198.705 to ORS 198.755?
- How might the district assure some level of service to all properties within the district to hedge against a withdrawal petition and assure services are equitable for the level of ad valorem taxes being levied?
- How will adoption and ultimate implementation of RPS change the spatial concentration of demand for transit service over time? Specifically, how will the considerable growth planned in Eagle Point be addressed in RPS where the City is not currently served by or within a fixed route transit service area?

CSA Planning, Ltd.



Jay Harland
Principal

5.2.3 Technical Memo #3



Technical Memorandum #3

To: Rogue Valley Transportation District
Date: August 5, 2010
Subject: Existing Land Use Conditions Analysis & Summary

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1. EXECUTIVE SUMMARY

Tech Memo #3 is a study of existing land use conditions, which describe where people live, work and invest in property and how that relates to discussions of boundary changes. These patterns in population, employment and real property ownership have a bearing on funding sources and service demands and ultimately boundary decisions. Here are examples:

- ↑ population + ↑ jobs = ↑ demand for transit service
- ↑ population + ↑ jobs + ↑ private property investment = ↑ transit revenue per mile

Four Categories for Study

Tech Memo #3 introduces four categories for studying existing or future land use conditions:

- Urban Growth Planning: future land uses that could significantly influence decision making. These lands include urban reserve lands designated by Regional Problem Solving and Transportation Oriented Development such as West Medford TOD, Northeast Medford TOD and Croman Mill Site. This category will be the subject of Tech Memo #5.
- Rural Enduring: fully-built, rural lands. The four guidelines for determining whether lands are Rural Enduring are listed on Page 4.
- Urban Built: built lands not affected by land use changes on neighboring properties. This land is devoted to employment and housing. The parameters are outlined in Tables 1-2. The analysis is summarized in Table 5.
- Urban Fully Planned: lands with significant development potential. Modeling parameters are described in Tables 3-4 and the analysis summary in Table 6.

Conclusions from the Preliminary Data and Modeling Analysis:

- Half of the study area is within large rural areas. Eagle Point and the western edge of White City are the only two urban areas immediately outside the RVTB Boundary.
- Existing routes adequately serve current conditions.
- Existing routes will serve ever-lower percentages of growth.
- Further analysis will illuminate funding streams and boundary change scenarios.

2. INTRODUCTION

The analysis components of the RVTB Boundary Assessment project seek to illuminate the spatial and fiscal relationships between RVTB service demands and funding resources. This knowledge can be applied in the policy and decision making components of the project to develop recommendations for any changes to RVTB's spatial extent. The spatial and fiscal relationships between RVTB service demands and funding sources are influenced by land use conditions.

Land use conditions are essentially the spatial distribution of population, employment, and real property. Demand for services and potential revenues vary with land use patterns. For example, areas with high concentrations of population and employment indicate areas where higher demand for transit services would be expected on a per lineal service mile basis. Areas with high concentrations of population, employment, and private real property investment also represent areas where higher levels of revenue would be expected to accrue on a per lineal service mile basis.

The land use conditions analysis of the RVTB Boundary Assessment project was divided to first address existing conditions (Tech Memo #3). Second, it addresses future land use conditions (Tech Memo #5). This memo presents the first part of the land use conditions analysis within the urban study area for the RVTB Boundary Assessment. Thus, this memo is focused on describing and analyzing areas where existing land use conditions are expected to represent future conditions with comparative certainty and provide relatively objective guidance to any boundary choices and/or policy choices. Tech Memo #5 will focus on future land use conditions. This memo classifies all lands within the study area into one of four fundamental categories, and this memo analyses and focuses on existing land use conditions that are reflected in the last three:

1. Urban Growth Planning (U-GP); these lands are the subject of Tech Memo #5
2. Rural-Enduring (R-E)
3. Urban Built (U-B)
4. Urban Fully Planned (U-FP)

The analysis of land use conditions has both present and future temporal dimensions. Any significant changes to the RVTB boundary should serve the needs of existing populations while also planning for the spatial effects of growth. This is one of the fundamental challenges presented in this project. Measuring existing conditions is challenging in its own right, but projecting future conditions is far more challenging and uncertainty increases the further into the future we attempt to project.

based upon local knowledge or reliance on a site specific or industry specific dataset.

3. **Split Plan Designations and Split Zoning Designations:** This is a fundamental geographic problem to any analysis of this type using the parcel as the unit of analysis caused by two primary factors. The first factor is Oregon's land use system that keeps large parcels intact until they are added to a city's UGB. When such land is added to the UGB, it is often the case that parcels are large enough from an urban form standpoint that multiple urban land uses are appropriate for a single parcel. This often results in split designations of undeveloped land in such areas. The analysis utilized sound methods that address this issue and keep the parcels unit intact, but it is beyond the scope of this analysis to resolve these issues on a parcel by parcel basis to the extent they might be resolvable. The analysis assumes these issues will average out across large areas and therefore applies the designation where the parcel centroid is located. As the project proceeds, if specific property choices are affected by this general method, then GIS may be used to address the issue on a site-by-site basis.

4. **Pending Planning Actions**

CSA Planning has contacted all local jurisdictions to gather information on pending planning actions that may affect the analysis presented herein. CSA has exercised its professional judgment to incorporate likely or expected outcomes from pending land use actions into all the land use classifying and analysis presented in Tech Memo #3 and Tech Memo #5.

3.3. Land Categories and Analysis Criteria

The analysis begins with inventory of tax lots within the study area and classification into four major categories. The RVTB boundary analysis should be coordinated with local land use plans under ORS 195, but a boundary analysis is not a land use planning exercise. Therefore the terms urban, rural, and other terms used in the Boundary analysis may be similar to their usage under the Oregon Statewide Planning program, but may not accord with any strict Oregon Land Use planning definitions of such terms. Lands were classified according to the following schema:

3.3.1. Urban Growth Planning

These parcels are located where significant long-range legislative planning work is in-process and where additional uncertainty exists as to future land uses that could influence boundary decision making to significant degree.

The largest and most significant project is the Regional Problem Solving project. This project involves the designation of Urban Reserves for five of the seven cities within the Urban Study area. This plan reserves and protects large blocks of rural land the cities have identified for eventual urbanization to meet their needs over the next fifty years. This project was under development for over ten years and is currently under review by the Jackson County Planning Commission. For purposes of this land use conditions analysis, it is assumed that lands currently identified as Urban Reserve in the Regional Problem Solving Process will ultimately be designated Urban Reserve. Lands designated Urban Reserve in the Regional Problem Solving plan are categorized as Urban Growth Planning. Analysis of land use conditions for these properties will be a significant subject of Tech Memo #5. The land use patterns in these areas currently are a mix of resource lands (generally farmland) and exception lands (generally rural residential land and lands built to urban levels outside urban growth boundaries).

Other lands categorized as Urban Growth Planning, are buildable lands within Transit Oriented Development (TOD) areas where the TOD planning is not yet complete, these include the West Medford TOD and the Northeast Medford TOD. Ashland is currently working on an employment campus project known as the "Croman Mill Site". This land is also classified as Urban Growth Planning. Many of these areas already have significant levels of urban development, but the RVTB Boundary assessment project will focus special

attention on these areas in Tech Memo #5 to evaluate the degree to which these in-process land use planning efforts are likely to shape future land use conditions.

3.3.2. Rural Enduring

Generally, Rural Enduring lands are treated in the Boundary Assessment project as fully built-out according to permissible development intensity levels for lands located in rural areas under Statewide Planning Goal 14. Rural Enduring lands met one of the following sets of criteria:

- Resource Lands (Agricultural, Forest, and Aggregate lands) outside an Urban Growth Boundary and not within a proposed Urban Reserve.
- Exception Lands that are more than a ¼ mile outside the nearest UGB, and outside an Urban Containment Boundary (UCB), and outside the White City Urban Unincorporated Community Boundary (WUUCB), and not within a Bureau of the Census defined Urbanized Area. These lands are not designated as resource lands in the Jackson County Comprehensive Plan.
- Recreation lands not located in a UGB, a UCB or the WUUCB and outside an Urban Reserve. These lands should generally be used for recreation activities that are appropriately rural
- Other specific tax lots otherwise deemed to be appropriately categorized Rural Enduring due to specific site factors known to the analysis.

3.3.3. Urban Built (U-B)

These lands are substantively built-out to a degree that there is no significant expectation of land use changes in the foreseeable future that would result in substantially different spatial demands for transit services. The analysis assumes that built-out lands will be minimally affected by land use plans in areas within UGBs that are undergoing major legislative planning projects. For example, the West Main TOD plan includes many unbuilt lots (minimally developed) that will be shaped by the West Main TOD plan. However, there are many fully built properties that are unlikely to be affected over the short and medium term. Land Use plans often contain aspirational language and policies to encourage such changes and they do sometimes occur. However, the rate tends to be slow and small when considered from an urban service delivery standpoint, such as for urban public transit services.

Once identified, these lands were utilized to estimate mean parameters for population and employment densities for each of the broad land use categories. These lands represent the amount of lands that are actually devoted to employment, housing and other uses. Where the density predictions on a parcel by parcel basis sum to counted observations, and reasonably reflect density expectations on a per parcel basis, then the parameters have predictive power and can be useful for projecting future spatial distribution of employment and population.

For residential lands, a sample of representative census blocks for each urban residential land category was identified. The net-built acreage was summed and divided by the total population within the sample census blocks for that category. This procedure estimated the mean parameter for that residential land use category, which resulted in the following:

Table 1

Land Use Category	People per Built Acre	Comments
Single Family Low Density	1.71	These lands are within urban growth boundaries but are primarily located in very steep terrain, which results in very low densities.
Single Family Standard Density	11.84	The measured number was very near analyst expectation of 12.
Single Family Medium Density	13.50	There were no good representative census block samples so this is the one population parameter that is interpolated between the categories.
Multi-Family Medium Density	17.94	Medium density actually has a higher people per built acre density than high density for two reasons. One is that units tend to be larger and can accommodate larger household sizes and this development pattern tends to have more on-street circulation resulting in higher densities per built acre.
Multi-Family High Density	16.91	This is near the analyst expected range.

The above parameters exhibited strong predictive power with respect to estimating the population of the urban study area. CSA knows from other projects (RPS) that the existing population of the urban study area should be ~156,000. Using 2.00 people per built acre exception lot and assuming one person per resource lot, the above parameters estimate a population of ~153,000 for all lands in the study area with approximately 142,000 on the lands classified as Urban Built. Some people live on commercial lands and in resource areas which would be close to this difference and indicates the model parameters fit well and should be adequate for projection purposes.

For employment lands, there are no simple representative geographic data sources that could be used for sampling. However, some studies on the topic of employment densities have been done to provide general guidance. Both CSA Planning and REMI Northwest have done work on the subject sufficient to apply parameter assumptions that are expected to be adequate for the general projections required for the boundary assessment study, as follows:

Table 2

Category	Employees per Built Acre	Comments
Commercial – Community	20	These lands include a mix of smaller commercial and offices. Some of the offices are relatively high density and result in fairly high employees per built acre.
Commercial – Downtown	26	These lands are in existing downtown areas and tend to have high concentrations of multi-story office buildings which increase the employment per built acre above the community commercial.
Commercial - Regional	18	These lands have slightly lower densities than the community commercial as they tend to have some large outdoor sales which are land intensive with fewer office buildings.
Industrial – Large	3.5	Many of these uses are located on very large sites with relatively few employees and under utilized acreages. Actual densities may vary considerably on a site by site basis. However, they are relatively few and therefore service demands and revenue considerations can be customized to the particular sites.
Industrial – Small	8.5	These lands are smaller lands and tend to have more specialized activities with higher employment density.
Hospitals	90	RVMC, Providence, Ashland Community
Education	7	All education categories from elementary to higher ed.

Again, the above parameters provide reasonable predictive power. The parameters estimate that there are approximately ~68,000 jobs in the entire study area and there are ~65,000 of these located on urban built lands. The most recent figures from the Oregon Employment Department economists estimate ~72,000 in non-farm payrolls for all of Jackson County. An estimate of ~65,000 for the urban built area appears reasonable, when accounting for employment on lands outside the study area.

3.4. Modeling Land Use Conditions for Urban Fully Planned Lands (U-FP)

Urban Fully Planned lands are those lands where significant development potential currently exists and for which significant additional land use planning is not expected in the foreseeable future to alter the fundamental land use category assumptions. Based upon the land use categories and applying the above parameter estimates for Urban-Built Lands, land use conditions in the form of future population and future employment were estimated for the lands designated Urban Fully Planned.

This modeling effort must also take into account the fact that Urban Fully Planned lands do not yet contain urban levels of infrastructure and therefore the parameters must be applied to an estimate of net buildable acreage. The analysis used the following net-to-gross estimates of 0.85 for all employment lands except small industrial which used 0.80. The large industrial lands also included a 50% estimate reduction due to the amount of land in that category and planning efforts to assure a selection of industrial lands. The following net to gross factors for residential development were used:

Table 3

Land Use Category	Net to Gross Factor
Single Family Low Density	.82
Single Family Standard Density	.77
Single Family Medium Density	.75
Multi-Family Medium Density	.85
Multi-Family High Density	.90

4. RESULTS AND CONCLUSIONS

This section presents the results of the analysis with summary descriptive statistics, spatial analysis and conclusions. The analysis is structured according to the four main categories described in the previous sections. The Urban Growth Planning category will be the primary focus of Tech Memo 5 and so the development potential of these lands is not presented in any great detail. The Rural Enduring is expected to be unchanged during the planning period. Therefore these areas are meaningful from a boundary analysis perspective only to the extent that removal of these lands from an urban service boundary may be appropriate and will be evaluated in latter stages of the project.

Atlas Map 2 depicts the classification of all lands within the urban study area into the four main analysis categories. Table 4 depicts the summary existing land use data for these categories:

Table 4

MAIN ANALYSIS CATEGORY SUMMARY	Lot Area	Built Area	Population	Employment
	<i>(Acres, 2009 data)</i>	<i>(Square Feet, 2005 data)</i>	<i>(estimate)</i>	<i>(estimate)</i>
Urban Growth Planning	12,457	8,502,139	4,008	1,565
Rural Enduring	61,963	20,454,193	6,384	801
Urban Built	27,144	174,645,454	141,868	65,385
Urban Fully Planned	9,153	5,823,162	-	343
TOTALS	110,717	209,424,948	152,260	68,094

Over half of the Urban Study area actually includes Rural Enduring acreage which is why it may be appropriate during the project to re-evaluate the classification of this large quantity of land that has relatively small demand for transit services and can generate only minimal ad valorem tax revenue.

Most all of the built square footage, population and employment are located in the Urban Built category as one would expect indicating the GIS work is appropriately classifying lands.

The Urban Growth Planning Areas and Urban Fully Planned areas do not contain urban levels of infrastructure and so the lot area of these lands will decrease as they are developed due to consumption by right-of-way. There are approximately 22,000 acres with additional development potential that are either Urban Fully Planned or are in an area where future Urban Growth Planning is expected to occur.

4.1. Urban Built Summary and Atlas Map 4 Spatial Analysis

Atlas Map 6 depicts the analysis' estimates of spatial population and employment distribution by Tax Lot for the entire urban study area. As one would expect the greatest concentrations of people and employment are located in the urban built areas. From a district boundary perspective, the only two existing areas of urban employment and population that are located outside the RVTD District Boundary are Eagle Point and the industrial employment area west of Table Rock Road in the White City Urban Unincorporated Community Boundary. The GIS data set can and will be used to evaluate these areas specifically during subsequent components of the project that will focus on these areas, summary data for these lands is not provided in tabular format because virtually all existing employment and population that is outside District Boundary, but inside the Urban Study Area Boundary is attributable to these two areas.

Because Tech Memo #3 is focused on existing lands use conditions, this memo is especially concerned with description of the existing urban land uses that are unlikely to change. From an urban service district boundary perspective, these lands represent the urban lands for which the least speculative assumptions about future conditions can be made. While various land use planning and urban redevelopment efforts may occur in these areas, those efforts are most likely to result in gradual changes that are small relative to the entire built urban environment and will more likely be qualitative rather than having large scale spatial quantitative effects.

The following table summarizes the existing land use conditions by major land use categories for all lands classified as Urban Built and for which future conditions are expected to continue into the foreseeable future, as follows:

Table 5

URBAN BUILT SUMMARY	Lot Area		Built Area		Population		Employment	
	(Acres, 2009 data)	Percent within Half Mile of Fixed Route	(Square Feet, 2002 data)	Percent within Half Mile of Fixed Route	(estimate)	Percent within Half Mile of Fixed Route	(estimate)	Percent within Half Mile of Fixed Route
Industrial	3,554	86.2%	19,702,947	81.6%	-	0.0%	11,775	81.2%
Commercial	1,967	94.2%	21,239,649	96.0%	-	0.0%	39,659	94.4%
Hospitals	83	100.0%	902,367	100.0%	-	0.0%	7,436	100.0%
Education	669	83.0%	4,587,486	86.3%	977	86.5%	6,074	83.0%
Parks and Churches	2,346	73.8%	1,583,300	75.6%	-	0.0%	-	0.0%
Multi-Family	1,664	82.0%	21,650,588	82.5%	29,776	81.8%	-	0.0%
Single-Family	8,758	64.0%	93,793,938	64.2%	106,733	64.7%	441	17.7%
Low Density Single Family	806	14.4%	4,120,983	14.0%	1,586	14.2%	-	0.0%
Unique	34	100.0%	178,838	100.0%	-	0.0%	-	0.0%
County	7,063	40.1%	6,895,357	35.2%	2,786	30.2%	-	0.0%
TOTALS	27,144	81.5%	174,645,454	68.7%	141,868	67.2%	45,385	87.5%

The summary statistics for Urban Built lands show broad distribution of employment and population data and the degree to which lands and associated employment and population are served by fixed route transit within a half mile. The data indicates relatively strong penetration of the existing fixed route for service within a reasonable walking distance of fixed route service (one half mile).

Single Family Residential service penetration is surprisingly high with approximately ~65% of the population in the Urban Study area being served. This is especially true considering the relatively significant amount of single family population in Eagle Point that is outside the district boundary and has no service. Low density single family residential tends to be located in the steep areas of Jacksonville, Eagle Point, far East Medford, and Ashland where low levels of transit service are not unsurprising.

Multi-family penetration is perhaps slightly lower than one would expect, but there are some new multi-family areas that are not served with fixed route service, such as Veranda Park.

Routing penetration is very high in the commercial land areas. Only a small percentage of the existing commercial lands and employment in those areas are not within a half-mile of fixed route transit service.

Proximity of fixed route service to major destinations such as the hospitals and parks and churches is good. The region benefits from much of its built park land urban areas being located along Bear Creek which is within a half mile of a fixed route transit service at virtually any location.

Proximity to fixed route service is less prominent for industrial employment. This is mostly due to the lack of fixed route service in the White City industrial area.

4.2. Urban Fully Planned Summary and Atlas Map 6 Spatial Analysis

Atlas Map 6 presents the spatial distribution of employment and population for the lands classified as Urban Fully Planned. These lands have significant development potential under existing Comprehensive Plan designations. Atlas Map 6 depicts the modeled people and jobs per tax lot if these lands were built out in accordance with the parameters estimated from existing development patterns with reasonable net-to-gross factors for extension of urban infrastructure and in accordance with local land use comprehensive plans. As one would expect, these areas tend to be located just within Urban Growth Boundaries but outside the core urban areas.

The following table describes the modeled population and employment along with the lot acreage prior to accounting for infrastructure extension land consumption:

Table 6

URBAN FULLY PLANNED SUMMARY	Lot Area		Future Population		Future Employment	
	(Acres, 2009 data)	Percent within Half Mile of Fixed Route	(modeled)	Percent within Half Mile of Fixed Route	(modeled)	Percent within Half Mile of Fixed Route
Industrial	2,129	48.1%	-	0.0%	5,857	58.0%
Commercial	1,060	86.3%	-	0.0%	16,697	85.6%
Hospitals	-	0.0%	-	0.0%	-	0.0%
Education	58	0.0%	-	0.0%	-	0.0%
Parks and Churches	73	26.7%	-	0.0%	-	0.0%
Multi-Family	455	56.4%	6,922	56.4%	-	0.0%
Single-Family	3,642	33.2%	33,593	33.4%	-	0.0%
Low Density Single Family	1,281	19.4%	1,789	19.7%	-	0.0%
Unique	68	38.8%	-	0.0%	-	0.0%
County	387	39.3%	-	0.0%	-	0.0%
TOTALS	9,153	42.1%	42,304	36.6%	22,554	78.5%

The above table presents a stark contrast between population and employment. Future employment under planned land uses would still result in relatively high levels of employment within a half mile of fixed transit service. Industrial employment proximity is still somewhat depressed primarily due to the lack of fixed route service in the White City industrial area.

However, the planned population growth will occur in areas with much lower levels of transit service. Barely over half the new multi-family population would be located within a half-mile of fixed route transit service. This is less than the current percentage of single-family urban built population. The single family population would be half its current percentage of population within a half mile of fixed route transit service.

4.3. Analysis Challenges and Limitations

The analysis presented in this Tech Memo is preliminary. The TAC and CAC review process as well as additional subsequent work on the RVTB Boundary Assessment project will likely result in model refinements going forward.

The future industrial employment estimates for urban fully planned lands should be considered in light of the data and methods limitations and challenges. Ultimately, large scale industrial development is extremely difficult to predict. It happens as a large block and is not spatially distributed in an even manner across an area planned for industrial uses (the way residential tends to exhibit even spatial distributions). There is no mystical way to overcome this limitation in a manner that would have significant predictive power and so it is best just documented as a limitation of the data and methods.

4.4. Conclusions

4.4.1. Next Steps (Tech Memo #5)

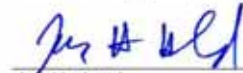
Tech Memo #5 will focus on the lands classified as Urban Growth Planning. These are the areas where the greatest uncertainty lies from a service planning standpoint. In the case of many of the Urban Reserves, only very generalized land use planning concepts have been put forth and likely development of these areas could diverge significantly from these general concepts. Other Urban Reserve areas have undergone relatively significant planning in ways that provide somewhat more surety as to the likely future development patterns.

4.4.2. Boundary Analysis and Policy Implications

The analysis presented in this memo presents the following key implications of the balance of the analysis in the project:

- The data has been structured to allow analysis of implications of funding stream changes associated with the development of boundary change scenarios.
- The data indicates that the existing routes do a reasonable job of providing fixed route urban transit service within a reasonable distance of most jobs and people in the urban study area. While analysis of routing may be warranted as part of a future project, the existing routes do not leave large segments of existing population or employment concentrations too far to practicably utilize transit.
- The existing route structure will not serve future population concentrations well if new population occurs in areas currently planned for growth.
- There are large rural areas (over half the study area) with very low densities and where significant land use changes are not expected in the foreseeable future.

CSA Planning, Ltd.



Jay Harland
Principal

cc. File

5.2.4 Technical Memo #4



Technical Memorandum #4

To: Rogue Valley Transportation District
Date: September 28, 2010
Subject: Review of Transportation System and Projects

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1. INTRODUCTION

This memo evaluates the condition of the transportation system from a transit service perspective and looks at how planned transportation improvements may affect transit services. Because the purpose of the project is boundary assessment, the memo focuses on those system conditions and transportation projects that are most likely to have an effect on boundary location choices. For the existing system, this causes the analysis to take on a broad scope and scale to examine the overall transportation system from a transit perspective. The periphery of the district boundary is where facility conditions have the highest likelihood of influencing boundary decision-making. For planned transportation improvement projects with the potential to change the character of transit service, evaluation of the most acute effects on boundary decision making is emphasized causing the scope and scale of this analysis to be more localized.

The Tech Memo analysis is supported by and relates to the following Atlas Maps 4 and 5:

1. Atlas Map 5 of 20-year financially constrained transportation improvement projects (RTP primary source)
2. Atlas Map 4 of Existing RVTB routes and service expansion scenarios contemplated in RVTB's 10-year plan.

2. EXISTING TRANSPORTATION SYSTEM

2.1. Street System

2.1.1. State Highways

The state highway system presents a mix of challenges and opportunities for transit services. The state system is well configured for rapid movement between communities because it has relatively high speed limits and has significant access control. However, these conditions also make it challenging for loading and offloading directly on the state system because of the relatively high volumes of traffic and limited access.

RVTB's Route 1 uses Highway 99 extensively. Highway 99 is really configured more like a local arterial than a state highway in many ways. For this reason, it tends to function reasonably well as a means of transportation between communities and for direct services within the communities. However, there are still some examples of areas where the RVTB Route leaves the highway for local service, such as on Talent Avenue in Talent. Highway 99 does have its challenges though. There are some areas, typically outside urban growth boundaries, where Highway 99 has no sidewalks and the bus must stop in one of the travel lanes. The Oregon Highway Plan designates these segments as Rural District Highways which call for rural standards that are not well suited to transit service in this area considering the relatively high traffic volumes and speeds in these areas. Through a corridor plan or other planning mechanism a new Highway Plan designation or special design standards might be considered to address transit services in this area.

The other issue with Highway 99 is that even many of the urban areas have limited sidewalk connectivity and some areas have no sidewalks directly on the highway. Development improvements and transportation project improvements have incrementally

improved this situation, but it is not a complete and cohesive system yet and these issues will continue to be a challenge until the system is fully upgraded. One example is Highway 99 in south Ashland.

One interesting turn of events that may effect boundary decision making is the jurisdictional transfer of Avenue G/Kirtland Road from Jackson County to ODOT. There is currently no transit service in this area and some of it is outside the RVTD boundary, but ODOT's acceptance of this facility indicates a long-term commitment to state investments in this corridor which may support employment growth and add to demand for service in the area¹.

Overall, the ODOT system is reasonably well connected to provide transit on a regional basis. With adequate connectivity, the biggest challenges for utilization of the existing state highway system for transit services are site and design specific issues. There are numerous policies in State, Regional and local TSPs that support transit friendly designs, and with the detailed implementation necessary to accomplish these policies the State's system presents no insurmountable barriers to transit provision.

2.1.2. County Arterials

As a general rule, the County arterials function in a similar manner to ODOT facilities except that they tend to have much lower traffic volumes and usually have little urban development adjacent to them.

There are two significant exceptions to this general rule. The first is in White City. White City is in an urban unincorporated community and has its own urban TSP with urban street standards. Generally, facilities have been recently improved through urban renewal and were designed to meet the needs of transit provision. The streets are generally built to include design elements that work well for transit service.

The other exception to the rule is in areas of annexation where the County has roadway jurisdiction. Under Oregon Law, the cities are not required to take over jurisdiction of the roadway. Road upgrades to urban standards, especially in developed exception areas, can be very challenging and expensive. Addition of transit facilities can be an additional burden on upgrade projects. Serving these areas with transit until they are upgraded is often challenging due to narrow street configurations, lack of sidewalks, and high levels of access. The County's TSP, Urban Growth Management Agreements, and City's TSPs all contain policies to prevent the creation of new conditions of this nature and Jackson County is currently posturing to accelerate jurisdictional transfers with the cities. However, there are legacy exception areas that will continue to pose challenges in this regard. Examples of roadways with these challenges include:

1. Lozier Lane, should service ever be extended in this area.
2. Foothills Road, should service ever be extended in this area.
3. Table Rock Road, should service ever be extended in this area.
4. Bursell Road where there is existing service.

From a policy standpoint, RVTD may want to consider how future Urban Growth Boundary decisions may interact with jurisdictional exchange issues from a transit provision standpoint. Jurisdictional exchange agreements are a very complicated negotiation and type of transaction. The long-term expenses and challenges associated with jurisdictional exchanges are such that they tend to take long-periods of time with entrenched positions on the part of the facility management agencies. RVTD has had limited roles in jurisdictional exchanges such as this in the past. However, for the reasons described below under bicycle and pedestrian facilities, RVTD has an interest in seeing that these agreements be reached as a priority and may be well positioned to help support those negotiations as RVTD's primary interest is in reaching an agreement that will deliver sidewalks and is less concerned with the particular dollars and commitments of the parties.

¹ See Jackson County-ODOT jurisdictional exchange agreement executed summer 2008.

2.1.3. City Arterials

City arterials planned in local TSPs are well configured to support transit uses. They tend to require planter strips which provide locations for bus stops. Traffic volumes and speeds on City arterials are such that transit can be provided without significant interruption to automobile traffic flows. City arterials tend to be adjacent to major transit destinations such as medical centers, commercial developments, industrial developments, and multi-family housing.

The connectivity of city arterials in the region tends to be pretty good. There are some north-south connectivity challenges east of Bear Creek and south of Main Street in Medford, but aside from this area the regional interconnectivity of city arterials is adequate and provide opportunities for relatively direct transit routing and service.

2.1.4. City Collectors

City collectors planned in local TSPs are well configured to support transit uses. They tend to require planter strips which provide locations for bus stops. Traffic volumes and speeds on City collectors are such that transit can be provided without significant interruption to automobile traffic flows. City collectors tend to be adjacent to major transit destinations such as medical centers, commercial developments, industrial developments, and multi-family housing. In some instances, collectors may represent superior transit routing opportunities due to lower traffic volumes and may make it possible to route around congested intersections using collector facilities.

The connectivity of city collectors in the region tends to be pretty good. There are some north-south connectivity challenges east of Bear Creek and south of Main Street in Medford, but aside from this area the regional interconnectivity of city collectors is adequate and provides opportunities for relatively direct transit routing and service.

2.2. Bicycle and Pedestrian System

2.2.1. On-Street Systems

Local TSPs go to significant lengths to inventory and assess the condition of on-street bicycle and pedestrian systems within each jurisdiction. Like most any type of system there are gaps and areas where facilities are deficient. However, the local jurisdictions have made significant improvements in their systems over the last ten years and this trend is expected to continue.

Of particular interest to transit provision are system connections at bus stops. Cities' TSPs emphasize these connections and development standards generally require facilities be provided at the time of development or redevelopment.

While these trends are generally beneficial to RVTD, the rate and timing of improvements can be a major factor for RVTD service in two important and related ways, as follows:

1. The condition of sidewalks is important for RVTD because American's with Disabilities Act (ADA) compliant access to the bus service at bus stops is an essential component of continuing compliance with ADA for RVTD.
2. County roads do not generally have sidewalks and when City's grow into areas that were once in the County the road jurisdictional issues described above become acute due to the lack of sidewalks. Because sidewalks are an essential element of transit service for ADA reasons, getting County roads up to some level of urban standard that provides sidewalks is essential to the provision of transit service to those areas. Thus, RVTD has a vested interest in seeing that jurisdictional exchange agreements are reached so that the necessary sidewalk infrastructure is present to even allow transit service be provided.

2.2.2. Off-Street Systems

The major off-street system is the Bear Creek Greenway. This is a system that connects Ashland to Central point and is parallel to two RVTB routes. The greenway provides transportation as well as recreation opportunities and where there are opportunities to connect the greenway system with the transit system it seems logical to do so. The nature of the greenway is such that it is always grade separated from other surface transportation systems so there are limited direct connections. However, there are already a number of bus stop locations where local facilities connect the bus stops to the greenway in reasonably direct fashion.

2.3. Transit System

2.3.1. Transit Routes

The existing transit system serves the core employment and higher density housing areas in the existing RVTB service district reasonably well from a coverage perspective. Growth in population and employment in eastern Central Point, East Medford and Southwest Medford, and east Ashland are the major areas that are far removed from existing service routes.

There is one site-specific routing problem where one of the turn-arounds on the Ashland Route is slightly outside the RVTB boundary. Any change to the RVTB Boundary should correct this issue as part of the broader change.

2.3.2. Transit Nodes (stops)

With the exception of the downtown Medford transfer center, the transit nodes (or stops) in the region are basic no-frills stops. Some are covered and most are not. Stop improvements are sometimes done as conditions of development approval although more often developments provide a location and flatwork for the transit facilities and RVTB

3. PLANNED TRANSPORTATION SYSTEM IMPROVEMENTS

3.1. Street System

3.1.1. State Highway Improvements

There are two major state highway improvements that may change the character and opportunities for transit service in the near to medium term as follows:

- The Highway 62 corridor project. This project is a major project that will add a divided lane high speed access controlled facility from just north of Poplar Drive all the way out to Corey Road, roughly along the alignment of the old Medco Haul Road. This project presents some unique opportunities for transit service in the north half of the urban study area. Questions arise with respect to how best to utilize this new investment from a transit provision standpoint. The facility itself is high-speed and will have very limited access. As such, it will have limitations for services to destinations along the route, but it presents opportunities for high speed transit between communities. The immediate impact on the existing route structure will be decreased congestion on the existing Highway 62 and opportunities for reduced headways and/or additional stops while maintaining existing headways. Also, the effect of the project is that some right-of-way along the existing Highway 62 corridor may be unneeded and could be devoted to enhanced transit facilities.
- The Fern Valley Interchange Project is the other major project. The implications of this project are more long-term. Ultimately, this project adds capacity for the southern terminus of the only major alternative route to the State's north-south transportation system (the North Phoenix/Foothills Road). The RVTB long-range plan calls for expanded service along this corridor and reserving a location near this

interchange improvement for long-term facility investment may be advisable if it can be acquired at low or minimal cost.

3.1.2. County Arterials

Improvements to Table Rock Road are planned by Jackson County. These improvements will have the effect of expanding capacity along this corridor which has no existing transit service but is planned to have service in the RVTB long-range plan. Table Rock Road is largely a built-up exception area and therefore faces many of the challenges described above. RVTB should work closely with the County on these projects as they move forward to consider localized design elements that may support transit provision. Improvements to the Table Rock corridor and contemplated service expansion are some of the few planned transportation improvements that do result in meaningful boundary analysis considerations. These improvements will improve access and serviceability to western White City which is an area with significant employment and is located outside the existing RVTB boundary.

The other major County project is the extension of Foothill Road at the northern terminus near Corey Road to Atlantic Avenue in White City. This project will further advance improvements in this corridor and over the long-term this may support expanded north-south service with the Foothill Road and North Phoenix corridor.

3.1.3. City Street Projects

The following are the significant City street projects with Transit service implications:

1. **Ashland-** Siskiyou Blvd. at Tolman Creek intersection improvements. This project may provide opportunities to improve transit facilities at this intersection as part of this project. Also, the Croman Mill project will eventually result in Mistletoe rather than Tolman Creek Road being the higher order facility in this area of Ashland. This is likely to result in a re-routing of service in this area. These type changes tend to be infrequent, but RVTB should recognize when these functional classification changes occur, so that service planning can be well coordinated with the improvements.
2. **Central Point-** Central Point has no projects that are located on planned routes. However, some traffic calming projects on Highway 99 are located in areas where Tier 2 expansion areas are contemplated in RVTB's long-range plan. The traffic calming measures could be designed to be integrated with transit facilities.
3. **Eagle Point-** Because Eagle Point is currently outside the district its projects would not have immediate impact. However, if the City were added to the district some of the City's improvements might be beneficial depending on planned bus routing in the City. This should be done as part of any formal route planning in the City.
4. **Phoenix-** Phoenix has two projects that will improve the grid street structure downtown, the extension of Parking Street to Third and the extension of Third to Oregon 99 Northbound. The Third Street extension will also add a connection between one way streets and should improve pedestrian circulation for transit service in the area.
5. **Talent-** The West Valley View Master Plan is a major project. This project is located in an area where the Tier 2 projects of RVTB's long range plan contemplate expanded services. If service is expanded in this area it may make sense to coordinate with Talent on the design of this project to support transit provision. The other major project is the extension of Rogue River Parkway from Oregon 99 to Talent Avenue. This project will add a connection between Talent Avenue and Highway 99 that should expand access to transit in this corridor and this is expected to be a beneficial project from a transit perspective.
6. **Medford-** Medford has improvements that include completing the Coker Butte/Highway 62 intersection project (adding the east leg) and this project should support existing transit service in the area by creating a true four-legged intersection

at that location. The other project is the extension of Owens Drive to Foothills Road. This is an additional connection that will connect existing service on Highway 62 with planned future service on Foothills Road.

3.2. *Bicycle and Pedestrian System*

3.2.1. *City Projects*

1. **Ashland-** Ashland has planned sidewalk improvements on Hersey Street that would be beneficial if transit service is extended to this area as contemplated in the long-range plan.
2. **Jacksonville-** Jacksonville proposes to add sidewalks and bike lanes to 3rd street that should improve pedestrian access to the existing transit routes in Jacksonville.
3. **Medford-** Medford has sidewalk improvements on Mace Road near Howard Elementary that should improve pedestrian circulation near this RVTD route.

3.2.2. *Off-Street Projects*

There is one primary off-street project that may be of interest to the boundary study project. There is considerable effort underway to extent the Bear Creek Greenway from its existing terminus in Central Point along the Rogue River and all the way to the City of Rogue River. This could expand opportunities for transit to provide access to recreational amenities along the Rogue River. Future transit service extensions in Central Point may wish to consider the benefits of stops that expand access to the north terminus of the existing Bear Creek Greenway.

3.3. *Transit System*

3.3.1. *Transit Routes*

Generally, the transit routes and future expansion areas contemplated in the long-range RVTD plan appear reasonable for the existing district boundary. The priority of some of these may need to be updated in an amended long-range plan if the RVTD District boundary were to change as a result of this project. For example, RVTD may want to prioritize new routes in Eagle Point over some of the other expansion areas identified in the plan because this is a new community being added to the district.

One issue that can arise with transit routing is advance planning for growth areas from both a route and a physical street facility standpoint. For example, the Central Point Twin Creeks TOD ideally would have had route planning that included a looped service, but the physical street improvements where the looped service was logical do not have adequate width for bus service and thus limits long-term bus service options. However, the route planning must be accompanied by review through the land use/facility design processes by RVTD for actual facility plan adequacy. Once the route planning is done, it may make sense to approach the City about assuring procedures and code provisions are in place for this type of RVTD review.

3.3.2. *Transit Nodes (stops)*

Overall, the local TSPs tend to be nonspecific about major transit stop locations. The Transportation Planning Rule supports the identification of major transit stops and specific planning for those facilities. This is an area where planning money would be well spent for transit service; this type of planning should be specific and define in precise terms exactly where major stops are to be located and how they will function from a design standpoint.

The other issue with transit stops is their simplicity. Some transit service providers in other areas have provided communities with wide latitude on stop designs. In effect, some stops are basically functional sculpture art. It may make sense to explore this from a policy perspective as it creates eye catching elements that draw attention to transit as a vital part of the urban landscape.

4. CONCLUSIONS

This memo has pointed up many areas where improved coordination between surface transportation facility agencies and RVTB could result in facilities that support transit. However, there are relatively few planned transportation projects that are expected to have profound effects on the boundary assessment and precise choices about locations that may or may not make sense from the standpoint of where the urban service RVTB district boundary should be. The main affected areas are in Eagle Point and west of White City. Both of these areas have planned transportation projects that could reasonably be expected to improve the provision of transit should the RVTB urban service boundary expand in those areas. There were no existing system conditions that necessarily suggest that lands in the existing urban service area should be removed for reasons of existing transportation facilities condition or configuration.

Tech Memo #2 of the boundary assessment project has introduced the possibility of creating taxing zones within the District. The precise location of these zones might be affected by some of the improvement projects identified in this tech memo, but until there is some consensus that this is a policy approach that is worth pursuing the precise geographic relationships of potential taxing zones and transportation improvement projects cannot be known at this stage in the process.

CSA Planning, Ltd.



Jay Harland
Principal

PROJECT NUMBER	LOCATION	DESCRIPTION	TIMING	COST	Cost by Phase	Funds Available
Ashland						
102	Plaza Av. - Nezia Av to Verda St	Pave & Improve	short	\$197,000		
106	Hargadine St. - Gresham St. to Second St	Overlay	short	\$46,934		
108, 109	Harrison St. - Siskiyou Blvd. to Euclid St	Overlay	short	\$128,968		
116	Alison St. - Union St. to Gresham St	Overlay	short	\$207,448		
120, 122, 134	E. Main St. Railroad Crossing	R/R X-ing improvements, signals and surface	short	\$880,288		
157	Ashland City Streets - Pavement Overlay	Overlay	short	\$438,781		
158	Hersey St. - Oak St. - Ann St. Sidewalks	Sidewalks	short	\$350,000		
Short Range Total					\$2,678,529	\$2,678,529
147	Washington St. - Ashland St. to E. Jefferson St.	Urban upgrade w/ bike lanes and sidewalks	medium	\$588,000		
Medium Range Total					\$588,000	\$588,000
122	Walser Ave. at R/R X-ing	R/R X-ing improvements, surface improvement	long	\$263,700		
144	Mindobe Rd. - Siskiyou Blvd. to Tolman Creek Rd.	Urban upgrade w/ bike lanes and sidewalks	long	\$1,040,823		
126	Ashland St. (OR 66) at Normal Ave.	Signalize intersection	long	\$263,700		
129	Siskiyou Blvd. (OR 99) at Tolman Creek Rd.	Intersection enhancements w/ signalization	long	\$603,580		
Long Range Total					\$3,071,812	\$3,100,000
Central Point						
201	New Haven Rd. and Hamrick Rd. intersection	Add signal for pedestrian crossing	short	\$178,000		
203	OR 99 - Traffic Calming Unit 1	Traffic Calming	short	\$360,000		
206	OR 99 - Traffic Calming Unit 2	Traffic Calming	short	\$395,000		
208	Oak St. - 2nd to 3rd & 1st - Manzanita to Laurel	Improve alleys and parking facility	short	\$717,000		
229	Pine St. - 1st Street to 8th Street	Overlay / Safety	short	\$282,787		
Short Range Total					\$2,230,787	\$2,230,787
215	OR 99 - Traffic Calming Unit 3	Traffic Calming	medium	\$175,000		
214	Sceneic Ave. - Mary's Way to Sceneic Middle School	Widen to add bike lanes and sidewalks (urban upgrade)	medium	\$584,416		
Medium Range Total					\$759,416	\$800,000
218	Table Rock Rd. & Vilas Rd intersection	Widen to increase capacity	long	\$789,500		
224	Sceneic Ave. 10th St. to Sceneic Middle School	Widen to add continuous turn lane with bike lanes and sidewalks	long	\$510,000		
227	W. Pine St. - Hanley St. to Haskell St	Widen to 3 lanes, bike lanes, sidewalks	long	\$1,500,000		
Long Range Total					\$7,809,500	\$3,000,000
Eagle Point						
301	Main St. - Royal Ave. intersection	Intersection reconfiguration	short	\$240,000		
313	Alta Vista Rd. at Shasta Ave	Intersection improvements with signals	short	\$225,000		
320	Main St. - Pratt Ave. - Ross Ave	Overlay, sidewalks & curbs	short	\$303,118		
Short Range Total					\$768,118	\$768,118
308	OR 62 frontage road	Sierra Hills extension from Barton Rd. to Poling Hills Dr.	medium	\$693,000		
Medium Range Total					\$693,000	\$700,000
320	Main St. improvements	Reconstruct pavement, parking, lighting, landscaping	long	\$870,000		
321	Downtown alleys	Construct / repave downtown alleys	long	\$300,000		
322	Pedestrian path - Lotto St. to Butte Creek Mill	Construct path adjacent to creek on west side	long	\$544,000		
323	Barton Rd. from Hwy 62 to Reese Creek Rd.	Urban upgrade w/ bike lanes and sidewalks	long	\$900,000		
Long Range Total					\$2,314,000	\$2,400,000

PROJECT NUMBER	LOCATION	DESCRIPTION	TIMING	COST	Cost by Phase	Funds Available
Jacksonville						
402	Jacksonville Street Sweeper Purchase	Purchase street sweeper for city streets	short	\$198,240		
403	CC Street Bicycle & Pedestrian Improvements	Construct bike lanes and sidewalks	short	\$238,500		
				Short Range Total	\$437,740	\$437,740
No medium range projects proposed						
				Medium Range Total	\$0	\$0
No long range projects proposed						
				Long Range Total	\$0	\$1,935,000
Medford						
407	Various locations in city	Construct sidewalks, storm drains, curbs	short	\$3,612,437		
503	Garfield Ave. Kings Hwy. to Peach St.	Adding continuous turn lane with bike lanes and sidewalks	short	\$624,018		
506	S. Holly St. Garfield Ave. to Holmes Way	Construct new 3 - lane street with bike lanes and sidewalks	short	\$3,700,000		
507	Columbus Ave. McAndrews Rd. to Sage Rd.	Extend Columbus to Sage, with center turn lane, bike lanes, sidewalks	short	\$3,000,000		
507	Alternative Fueling Center	Install alternative fueling station for city vehicles	short	\$500,000		
508	Crater Lake Av & Jackson Street Alleys	Pave and improve Alleys	short	\$1,047,000		
509	Medford Street Sweeper Replacement	Purchase CNG street sweeper for city streets	short	\$228,000		
544	Mace Rd. Howard Elementary sidewalk build	Construct sidewalks around Howard Elementary School	short	\$415,000		
6001	Bear Creek Greenway, Barnes Rd Bridge	Construct bicycle & pedestrian bridge	short	\$2,880,049		
				Short Range Total	\$15,704,506	\$15,704,506
550	Coker Butte Rd., OR 62 to E. of Crater Lake Ave.	Move Coker Butte Rd. north, re-align Crater Lake Ave., add sign	medium	\$4,802,000		
558	Stanford Rd. Coal Mine Rd. to Cherry Ln.	Construct new three lane street with bike lanes and sidewalks	medium	\$7,548,000		
				Medium Range Total	\$12,348,000	\$12,400,000
567	Owens Dr., Crater Lake Ave. to Foothill Rd.	Construct new three lane street with bike lanes and sidewalks	long	\$9,987,600		
568	Lear Way, Coker Butte Rd. to Vilas Rd.	Construct new two lane street with bike lanes and sidewalks	long	\$2,586,400		
569	Coker Butte Rd., Lear Way to Haul Rd.	Construct new five lane street with bike lanes and sidewalks	long	\$1,987,520		
				Long Range Total	\$14,562,520	\$15,000,000
Phoenix						
607	1st St., Rose St. to OR 99 (SB)	Widen to provide bike lanes and sidewalks	short	\$750,000		
626	South Rose Street & Oak Street Pavement Overlay	Overlay	short	\$281,900		
				Short Range Total	\$1,031,900	\$1,011,900
600	4th St., OR 99 (SB) to OR 99 (NB)	Widen to provide bike lanes	medium	\$296,516		
601	4th St., Rose St. to Calver Rd.	Widen to provide bike lanes and sidewalks	medium	\$338,700		
603	Rose St., First St. to Fifth St.	Widen to provide bike lanes	medium	\$293,000		
605	Bolt Rd., OR 99 to Fern Valley Rd.	Widen to provide bike lanes and sidewalks	medium	\$410,200		
				Medium Range Total	\$1,338,424	\$1,517,000
611	Calver Rd., First St. to southern UGB limits	Widen to provide bike lanes and sidewalks	long	\$527,400		
614	3rd St., existing terminus to OR 99 (NB)	Construct new street with bike lanes and sidewalks	long	\$588,000		
615	Parking St., OR 99 (NB) to Third St.	Construct new street with bike lanes and sidewalks	long	\$1,758,000		
				Long Range Total	\$2,871,400	\$2,900,000

PROJECT NUMBER	LOCATION	DESCRIPTION	TIMING	COST	Cost by Phase	Funds Available
ODOT						
534, 558	OR 62: Owens Dr. & Coker Butte	New 5-lane street from OR 62 Springbrook Rd. Realign Crater Lake Ave & Coker Butte. Signalization	short	\$10,510,000		
802	I-5 Fern Valley Interchange, Phase 2	Reconstruct interchange, realign, widen connecting roads; replace Bear Creek Bridge	short	\$75,000,000		
803	OR 62: Corridor Solutions Phase 2	Right of Way Acquisition	short	\$22,000,000		
804	OR 140 Freight Extension	Line and shoulder widening for freight movements	short	\$2,388,000		
805	OR 140: White City to MP 8	Chip seal	short	\$600,000		
808	I-5 N. Ashland Interchange Greensprings Bundle 314	Replace Bridge	short	\$20,577,000		
809	I-5 Exits 14 & 18 Interchange improvements	Widen structures, signalization, lighting	short	\$3,000,000		
811	OR 238 @ N. Ross	Install new traffic signal	short	\$250,000		
813	I-5: Siskiyou Rest Area (Ashland)	Relocate rest area at new location	short	\$5,720,000		
832	OR 99: Rapp Rd to Valley View Paving	Grind/finlay and Overlay pavement	short	\$1,800,000		
833	I-5 Exits 14 - 11 paving	Rehabilitate 5.0 lanes from MP 11.45 - 14	short	\$324,975		
834	OR 62 & OR 140 Paving	Overlay	short	\$9,752,000		
835	I-5 Ashland Paving	Overlay	short	\$2,882,000		
836	I-5 Seaside, MP 18 - 16B	Striping	short	\$2,050,000		
Short Range Total					\$158,434,975	\$158,434,975
837	OR 62: Corridor Solutions, Phase 3	Right of Way Acquisition	medium	\$12,500,000		
838	OR 62: Access Management	Major Approach Relocation west of I-5	medium	\$2,000,000		
Medium Range Total					\$14,500,000	\$15,000,000
839	OR 62: Corridor Solutions, Phase 4	Right of Way Acquisition	long	\$67,500,000		
Long Range Total					\$67,500,000	\$67,500,000
RVTDP						
1001	IdleAir Diesel Emissions Abatement	Install Advanced Truck Stop Electrification Units	Short	\$978,820		
1002	Cascade Sierra Solutions Emissions Reduction Center	Implement Diesel Retrofit Outreach Center	Short	\$410,000		
Short Range Total					\$1,388,820	\$1,400,000
TOTAL					\$331,129,817	\$335,935,925

5.2.5 Technical Memo #5



Technical Memorandum #5

To: Rogue Valley Transportation District
Date: October 8, 2010
Subject: Future Land Use Conditions Analysis & Summary

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1. LAND USE CONDITIONS SUMMARY

1.1.1. Eagle Point

Eagle Point is the only significant existing population center that is outside the district in the urban study area. It is also only one of two areas (the other being East Medford) where significant long-term growth is planned that is also outside the district. Inclusion of this area would require serviceability analysis.

1.1.2. Western White City

The western most edge of White City is the only significant area where there is existing employment that is outside the district boundary. The entire White City industrial area is a large employment area with no service and is the only large existing employment center that is without service.

1.1.3. Central Point

Central Point has a smaller area designated in the RPS plan for growth that is outside the RVTD district boundary. This area should be considered for inclusion.

1.1.4. Tolo

The proposed Tolo industrial area creates a conundrum. It is somewhat removed from other urban areas is difficult to predict whether there would be an ultimate concentration of significant employment sufficient to warrant district expansion and delivery of service. There is some employment there now in the form of Erickson Air Crane and the aggregate operators along Blackwell Road.

1.1.5. Jacksonville and Ashland

Jacksonville and Ashland have small exception areas surrounding them that may result in a small amount of urban development over time. Most of the area around Jacksonville is already in the boundary. The area south of Ashland is not. When any proposals come forward for UGB expansions RVTD should have mechanisms in place internally to assure an appropriate transit district condition will be in place.

1.1.6. East Medford

East Medford is the largest combination of existing and planned population concentration that has no proximate transit service. In order to maintain current levels of geographic balance between potential trip origins and potential trip destinations some expanded service in East Medford would be required.

2. INTRODUCTION

Land use conditions are essentially the spatial distribution of population, employment, and real property. Demand for services and potential revenues vary with land use patterns. For example, areas with high concentrations of population and employment indicate areas where higher demand for transit services would be expected on a per lineal service mile basis. Areas with high concentrations of population, employment, and private real property

investment also represent areas where higher levels of revenue would be expected to accrue on a per lineal service mile basis.

This memo picks up where Tech Memo #3 left off. The analysis for the two memos classifies all lands within the study area into one of four fundamental categories, as follows:

1. Urban Growth Planning (U-GP)
2. Rural-Enduring (R-E)
3. Urban Built (U-B)
4. Urban Fully Planned (U-FP)

Categories 2 through 4 were the emphasis of Tech Memo #3. This analysis focuses on all lands classified as Urban Growth Planning. Lands in the Urban Growth Planning category met one or more of the following criteria:

- Land inside an existing Urban Growth Boundary where significant land use changes are in process or expected that could result in meaningful changes to the spatial distribution of population and employment.
- Land identified in the major legislative review to create Urban Reserves in the draft Regional Problem Solving (RPS) plan.
- Exception land within a quarter mile of an existing Urban Growth Boundary.

3. GEOGRAPHIC INFORMATION SYSTEM (GIS) ANALYSIS

The analysis presented in this Tech Memo and accompanying Atlas Maps 2 and 3 and 6 through 9 utilizes Geographic Information System (GIS) mapping software to inventory and model existing land use conditions within the urban study area.

3.1. Overall Scope and Approach

The scope and approach for the analysis is guided by the ultimate objectives of the project to evaluate the RVTB boundary for the service of existing populations and to accommodate reasonably foreseeable changes. Thus, end results from the analysis must be sufficiently accurate and robust to guide such policy discussion and dependent aspects of the analysis project within the context of the scope of work.

This presents several technical challenges that must be addressed in the future land use conditions analysis. The major challenges and the methods to address them are presented by topic below in the subsequent sections.

3.2. Data Sources

The analysis uses parcel data from the Jackson County Assessor's office as the basic unit of analysis. This data includes information about real property values and improvement values. This data is critical for any property tax revenue analysis because property taxes are based upon this data and is therefore the most appropriate unit of analysis.

However, the assessment parcel data creates a number of technical challenges many of which are the same as they were for the existing land use conditions analysis in Tech Memo #3, as follows:

1. Unit of Analysis Issues:

- a. Population: Parcel data does not include population data associated with a given parcel. Population data are important to the analysis because spatial concentrations of population affect demand for transit services in ways that could affect subsequent components of the analysis and ultimate policy choices for the project. No disaggregated local data sources are available to directly relate population data to individual parcels, therefore these relationships must be modeled, see also Section 2.3.3.

There are some parcels for which a modeled rate is just not appropriate and these need to be identified through the process and estimated using more specific methods, which may be done best as professional judgment based upon local knowledge or reliance on a site specific data set.

- b. **Employment:** Parcel data does not include employment data associated with a given parcel. Employment data are important to the analysis because spatial concentrations of employment affect demand for transit services in ways that could affect subsequent components of the analysis and ultimate policy choices for the project. No disaggregated local data sources are available to directly relate employment data to individual parcels; therefore these relationships must be modeled. See also Section 2.3.3.

There are some parcels for which a modeled rate is just not appropriate and these need to be identified through the process and estimated using more specific methods, which may be done best using professional judgment based upon local knowledge or reliance on a site specific or industry specific dataset.

2. **Large Parcels in the Draft Urban Reserves:** There is a fundamental geographic problem of any analysis using the parcel as the unit of analysis. It is caused by two primary factors. The first factor is Oregon's land use system that keeps large parcels intact until they are added to a city's UGB. When such land is added to the UGB, it is often the case that parcels are large enough from an urban form standpoint that multiple urban land uses are appropriate and even desirable for a single parcel. This causes a significant challenge when projecting long-range growth modeling of population and employment using parcel data. The RPS Plan simply contains rough percentages of land use categories that the cities believe they will need. These rough percentages must be translated to individual parcels to make the total acreages in the RPS plan roughly carried through in the analysis. Thus, the analysis devotes whole parcels to land use categories, but the actual future urban form is likely to have land uses that are much more intermixed than what can be developed in the analysis. However, the analysis assumes these issues will average out at the project scale provided the spatial distribution of uses is well done at the parcel level. As the project proceeds, if specific property choices are affected by this general method, then GIS may be used to address the issue on a site-by-site basis.

3. **Pending Planning Actions**

CSA Planning has contacted all local jurisdictions to gather information on pending planning actions that may affect the analysis presented herein. CSA has exercised its professional judgment to incorporate likely or expected outcomes from pending land use actions into all the land use classifying and analysis presented in Tech Memo #3 and Tech Memo #5.

3.3. Land Categories and Analysis Criteria

The analysis begins with inventory of tax lots within the study area and classification into four major categories. The RVTB boundary analysis should be coordinated with local land use plans under ORS 195, but a boundary analysis is not a land use planning exercise. Therefore the terms urban, rural, and other terms used in the Boundary analysis may be similar to their usage under the Oregon Statewide Planning program, but may not accord with any strict Oregon Land Use planning definitions of such terms. Lands were classified according to the following schema:

3.3.1. Urban Fully Planned (U-FP)

These are lands that are not built-out and are located in the urban areas where there are no significant legislative land use plan changes anticipated. As such, the adopted land use plans are relied upon to estimate future employment and population distribution. For detailed methods discussion of modeling growth in the Urban Fully Planned category see Tech Memo #3.

3.3.2. Rural Enduring (R-E)

Generally, Rural Enduring lands are treated in the Boundary Assessment project as fully built-out according to permissible development intensity levels for lands located in rural areas under Statewide Planning Goal 14. Rural Enduring lands met one of the following sets of criteria:

- Resource Lands (Agricultural, Forest, and Aggregate lands) outside an Urban Growth Boundary and not within a proposed Urban Reserve.
- Exception Lands that are more than a ¼ mile outside the nearest UGB, and outside an Urban Containment Boundary (UCB), and outside the White City Urban Unincorporated Community Boundary (WUUCB), and not within a Bureau of the Census defined Urbanized Area. These lands are not designated as resource lands in the Jackson County Comprehensive Plan.
- Recreation lands not located in a UGB, a UCB or the WUUCB and outside an Urban Reserve. These lands should generally be used for recreation activities that are appropriately rural
- Other specific tax lots otherwise deemed to be appropriately categorized Rural Enduring due to specific site factors known to the analysis.

3.3.3. Urban Built (U-B)

These lands are substantively built-out to a degree that there is no significant expectation of land use changes in the foreseeable future that would result in substantially different spatial demands for transit services. The analysis assumes that built-out lands will be minimally affected by land use plans in areas within UGBs that are undergoing major legislative planning projects. For example, the West Main TOD plan includes many unbuild lots (minimally developed) that will be shaped by the West Main TOD plan. However, there are many fully built properties that are unlikely to be affected over the short and medium term. Land use plans often contain aspirational language and policies to encourage such changes and they do sometimes occur. However, the rate tends to be slow and small when considered from an urban service delivery standpoint, such as for urban public transit services.

For detailed treatment of estimating employment and population and for the use of this data in projecting future distributions see Tech Memo #3.

3.4. Modeling Future Land Use Conditions for Urban Growth Planning (U-GP)

These parcels are located where significant long-range legislative planning work is in-process and where additional uncertainty exists as to future land uses that could influence boundary decision making to a significant degree.

The largest and most significant project is the Regional Problem Solving project. This project involves the designation of Urban Reserves for five of the seven cities within the Urban Study area. This plan reserves and protects large blocks of rural land the cities have identified for eventual urbanization to meet their needs over the next 50 years. This project was under development for over ten years and is currently under review by the Jackson County Planning Commission. In this analysis, it is assumed that lands currently identified as Urban Reserve in the Regional Problem Solving Process will ultimately be designated Urban Reserve and eventually be brought into urban growth boundaries to serve long-range population growth. Lands designated Urban Reserve in the Regional Problem Solving plan are categorized as Urban Growth Planning. The land use patterns in these areas currently are a mix of resource lands (generally farmland) and exception lands (generally rural residential land and lands built to urban levels outside urban growth boundaries). *It is essential to recognize that if Regional Problem Solving is not adopted and acknowledged substantially as proposed, the assumptions and analysis presented in Tech Memo #5 would be impaired and an alternative analysis would be required.*

The same base population, employment density, and net-to-gross parameters utilized to estimate the distributions in growth areas in Tech Memo #3 were utilized for Urban Growth Planning lands. See Tech Memo #3 Table 1, Table 2 and Table 3. However, the Urban Growth Planning lands also have some unique characteristics and on this basis some adjustments were made for localized factors and to address categories that did not exist in the initial analysis, as follows:

Table 1

Land Use Category	Employees per Built Acre	Notes
Northeast Employment District Master Plan Area (Non Large Industrial Areas)	10.2	Reflects unique employment mix including some commercial
Northeast TOD Commercial	20	Converted all NE TOD industrial small to community commercial
Northeast TOD Single Family Medium	13.5	Converted all single family standard to single family medium
West Main TOD Single Family Standard	13.25	
West Main TOD Multi Family High Density	16.91	30% of the West Main TOD community commercial converted to Multi-Family High Density
West Main TOD Community Commercial	20	70% of the West Main TOD community commercial remained as such
Croman Industrial Small	8.5	
Croman Commercial	16	
Industrial	4.4	Industrial lands within Urban Growth Areas outside of above categories.
Institutional	7.0	Lands not specifically known to be educational
RPS PH-5 Largest Parcel		Assumed third multi-family, third industrial, third institutional

The Urban Growth Planning category of lands is also the category with more diversity of land types from a projection standpoint, as follows:

- Some lands are actually built-out to urban standards. To maintain a consistent categorization schema, all lands identified as potential Urban Reserves in the Regional Problem Solving Plan were categorized as Urban Growth Planning. However, the "PH-3" area is a largely built-out exception area between Phoenix and Medford. Thus most all of its existing population and employment presumably will be there in the future.
- There are a few Urban Growth Planning areas within Urban Growth Boundaries where significant changes to the local land use plans are expected to occur in ways that would alter the spatial distribution of employment and population. These areas require local knowledge to make educated adjustments to existing land uses. It is of course impossible to know in advance exactly how the local land use planning efforts will come out, but there are policy bases for why these areas will be subject to refinement planning. These policy bases are usually rooted in localized issues such as too little commercial land or the desire for more mixed use.
- The Urban Growth Planning lands also included exception lands within a ¼ mile of existing UGBs. Ultimately, the analysis assumes that the character of exception lands within a ¼ mile of the cities with proposed Urban Reserves will not change. These are Medford, Eagle Point, Central Point, Phoenix and Talent. The analysis

assumes that over the long-term that Jacksonville and Ashland may require small urban growth boundary amendments into some of these exception areas over the next 50 years.

- The RPS proposed Urban Reserves constitute the vast majority of buildable acreage and potential growth in the Urban Growth Planning category. These are the lands for which the least is known about future development patterns. The RPS plan includes broad percentages of land uses for each of the urban reserve areas developed over ten years of committee work. These percentages were used to provide reasonable guidance on the total amount of land across categories for each city. However, these percentages provide only aggregated guidance at the jurisdictional level. The analysis for the purposes of this project used factors of slope and proximity to major roadway infrastructure and a hierarchical assignment system to estimate reasonable land use distributions at the parcel level. The basic assumption is that standard single family development patterns can go anywhere but the other more site critical uses cannot. So, the method selects lands for all the other uses guided by the broad RPS percentages until the acreage needed for that category is satisfied:
 - Institutional and Parks were first identified based upon land ownership with the general assumption that lands already owned by these types of entities are most likely to be developed as such. Then park lands were identified for lands not well suited to commercial, industrial, and institutional as it was assumed these uses would outbid any park proposals and that parks would be distributed to serve nearby residential areas. It is important to keep in mind that park lands identified on the accompanying maps assume an estimated geographic distribution. Ultimately, private parcels that will be used for parks must either be acquired and/or donated and it is impossible to know in advance exactly which lands will be donated or acquired.
 - Commercial was identified second. These are assumed to be the highest bidders in the real estate market and therefore will outbid other uses for high proximity to transportation corridors on land that is flat and therefore assumed to be readily developable. Once the acreage needs for this category were met the analysis moved to the next category.
 - Institutional (for lands not already owned by an institutional entity) was identified third. These are assumed to be the second highest bidders in the real estate market and therefore will outbid other uses for high proximity to transportation corridors on land that is flat and therefore assumed to be readily developable. Once the acreage needs for this category were met the analysis moved to the next category.
 - Industrial was identified fourth. Industrial uses tend to be intensive from an impact standpoint and thus the local land use process tends to want to concentrate them in pre-defined areas. Thus, lands that are near major transportation corridors, flat and near existing or planned industrial or commercial areas were selected for industrial.
 - Multi-family was identified fifth. It was assumed that multi-family would be distributed varying within each city, but would generally coincide with lands that are flat and near major transportation corridors. The RPS plan makes no estimate of residential housing types. Medford's recently completed housing element percentages were used as guidance and it was assumed (based on said plan) that each city would need 12 percent of its residential acreage in the multi-family category.
 - Single-family medium density was identified sixth. It was assumed that single-family medium density would be distributed throughout each city, but coincides with lands that were flat and near major transportation corridors. The RPS plan makes no estimate of residential housing types. Medford's

recently completed housing element percentages were used as guidance and it was assumed that each city would need 7 percent of its residential acreage in the single family medium category.

- o Single-family low density was the seventh identified. It was assumed the state's land use system discourages this development pattern, but that severe topographic constraints in some areas make it the only viable development pattern for these areas. Only lands with severe slope constraints were categorized as low density single family.
- o Standard single family was the last identified and was assumed to consume the remaining acreage.

4. URBAN GROWTH PLANNING RESULTS

This section presents the results of the analysis with summary descriptive statistics, spatial analysis and text analysis.

Atlas Map 2 depicts the classification of all lands within the urban study area into the four main analysis categories. Table 4 depicts the summary existing land use data for these categories:

4.1. Urban Growth Planning Summary and Atlas Map 6 Spatial Analysis

Atlas Map 6 depicts the analysis' estimates of spatial population and employment distribution by Tax Lot for the Urban Growth Planning lands. The following Table 2 complements Map 6 and summarizes the future land use conditions by major land use categories for all lands classified as Urban Growth Planning, as follows:

Table 2

URBAN GROWTH PLANNING SUMMARY TABLE	Lot Area		Future Population		Future Employment	
	(Acres, 2000 data)	Percent within Half Mile of Existing Fixed Route	(modeled)	Percent within Half Mile of Existing Fixed Route	(modeled)	Percent within Half Mile of Existing Fixed Route
Industrial	1,512	38.7%	-	0.0%	7,387	43.6%
Commercial	1,059	75.6%	-	0.0%	14,100	77.1%
Institutional	491	14.3%	-	0.0%	2,575	15.2%
Education	128	65.9%	-	0.0%	694	68.2%
Parks and Churches	2,661	5.5%	-	0.0%	-	0.0%
Multi-Family	642	18.2%	9,451	19.4%	-	0.0%
Single-Family	4,025	24.4%	37,465	24.9%	-	0.0%
Low Density Single Family	637	5.2%	893	5.2%	-	0.0%
Existing Built (mostly PH-3)	1,305	35.9%	3,025	72.6%	1,111	100.0%
SUBTOTAL W/O BUILT	11,155	25.3%	47,809	23.5%	24,756	60.4%
TOTALS	12,460	26.4%	50,834	26.4%	25,867	62.1%

Most of the Urban Growth Planning areas are located on the periphery of existing communities in lands proposed for Urban Reserve through the RPS project. The analysis depicts commercial land uses concentrating on the lands in the growth areas with the highest service levels. The high percentages of educational lands in well-served areas are a small-numbers anomaly with only 128 total acres in that category.

The analysis raises some interesting questions regarding the RPS land uses identified as "institutional." The RPS plan provides minimal description of what precisely these land uses are and the RPS plan aggregated institutional uses with other employment uses. Typically, however, these land uses tend to be hospitals, higher education centers, research centers, and defense and justice institutions. These uses tend to be land consumptive and require

campus-like development patterns. These uses tend to create significant concentrations of demand for transit service, which makes good fiscal sense from an RVTD serviceability standpoint provided the service can be accommodated with a modicum of effort and expense. The analysis methods assumed these uses would be capable of bidding for relatively optimum locations within the urban growth planning areas; only commercial lands were assumed to bid for higher rent locations. Even with these assumptions, it was difficult to find locations well served by transportation infrastructure and services where the amount of institutional acreage contemplated in the RPS plan might be located. As RPS moves from spatial planning to implementation through the Urban Growth Boundary amendment and Goal 9 planning processes, it may be beneficial to work with cities to concentrate these uses in areas with existing transit service or where service can be easily extended.

The industrial service levels reflect the lack of service in the Tolo area where the RPS plan contemplates expanding industrial uses over time. The timing of these plans and employment growth in this area is difficult to predict. Thus, the urgency of this service in this area is not likely as acute when compared to the more immediate growth potential in other areas.

The residential service levels in the long-range planned areas are low. Only 20 to 25 percent of future population will be within a half mile of existing service routes. Existing service will not serve these future populations. Map 6 shows that this is due primarily to growth in East Medford and in Eagle Point. This is a major issue that cannot be ignored and for which this boundary analysis project is only an initial step.

4.2. All Categories Summary and Atlas Maps 8 and 9 Spatial Analysis

This section analyzes and evaluates the composite estimates for existing population, employment and lands within the Urban Study Area for the project for all the basic land categories including Rural Enduring, Urban Built, Urban Fully Planned and Urban Growth Planning. Atlas Map 8 presents the spatial distribution of employment and population for 2050 and Atlas Map 9 emphasizes the spatial relationship of these lands to existing routes. These maps are the spatial representation of the data presented in below Table 3. The existing land use condition is essentially the built environment under existing regulations where meaningful changes in land use are not expected. These include the Rural Enduring, Urban Built and the Urban Growth Planning built areas which are predominantly the RPS PH-3 north of Phoenix on Highway 99, which is a built exception area. The Urban Fully Planned category is exactly as described in Tech Memo #3; it includes unbuilt lands within Urban Growth Boundaries and White City where development is expected to proceed substantially in accordance with existing land use regulations. Urban Growth Planning are those lands that are inside Urban Reserves (the built areas are summarized under the "Existing Land Use" column), inside a few select urban areas where land use planning is in-process or expected in the near future, and exception areas within a quarter mile of existing Urban Growth Boundaries. The full Build-Out column is what the spatial distribution of population and employment would be like if build-out occurs consistent with RPS and is presented in relation to proximity to existing service routes and location within the RVTD District Boundary.

Table 3

LAND USE CONDITIONS SUMMARY TABLE		Existing Land Use Conditions (Includes Rural Endings and Urban Built and Built Urban Growth Planning (PMS))		Urban Fully Planned		Urban Growth Planning (Existing Built in Prior Columns)		Full Build-Out	
		Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total	Sum Meeting Criteria	Percent of Total
Lot within Half Mile of Existing Route	Lot Area	24,225	23.9%	3,874	41.9%	2,820	25.3%	30,919	25.4%
	Population (modeled)	98,338	84.4%	15,551	38.2%	11,225	23.5%	125,114	51.9%
	Employment (modeled)	58,281	87.5%	17,718	79.6%	14,948	60.4%	90,947	79.6%
Lot Centroid within District Boundary	Lot Area	76,081	74.6%	8,243	89.1%	8,273	74.2%	92,697	76.7%
	Population (modeled)	140,818	92.2%	36,820	90.4%	39,831	83.3%	217,469	90.2%
	Employment (modeled)	63,981	96.1%	21,737	96.4%	21,266	85.9%	106,984	93.7%

Table 3 shows the ever decreasing percentage of population and employment served by the District under the existing route structure. However, the disparity in employment served is relatively small. The employment decrease is just eight percent for entire future build-out which is probably near the margin of error of the estimate in the first place and remains at sixty percent for even the new peripheral growth areas. That the employment could almost double and existing routes would still serve the vast majority of employment is actually quite remarkable. In large measure, the employment concentrations that are not located within a half mile of existing service are concentrated in western White City and were discussed in Tech Memo #3.

The decreasing level of population served over time by existing routes appears more problematic. The total population served at full-build out by existing routes would drop by almost thirteen percent and would be as low as twenty three percent for new growth planning areas. From a policy perspective, this is a major potential issue as many of the communities contemplate transit oriented development planning for these areas yet the nearest transit route is more than half a mile away. This also has the potential to create origin-destination imbalance. High degrees of service to employment centers have limited utility if the origins of the trips, which are peoples' homes, are not served in complement. Map 8 depicts the degree of this imbalance. The imbalance is concentrated in Eagle Point and East Medford with lesser contributions from southwest Medford and Central Point.

With respect to parcels in the district, Map 7 shows the extent of population and employment within the district. Within the Urban Study area 90 percent of the population and 93 percent of employment at full build-out would still be located within the existing District Boundary. For population, Eagle Point is by far the most significant population concentration that is outside the existing RVTB boundary. For employment, concentrations are largely in western White City and in the Tolo area, although Tolo is not expected to be a rapidly growing employment area in the immediate future. Essentially, inclusion of western White City, Eagle Point and the small growth area immediately north of the existing district boundary in northeast Central Point would result in virtually complete district coverage of the urban population. The same would be true of employment within the urban study area with the lone exception of the Tolo area.

4.3. Urban Growth Planning Analysis Challenges and Limitations

The analysis presented in this Tech Memo is preliminary. The TAC and CAC review process as well as additional subsequent work on the RVTB Boundary Assessment project will likely result in model refinements going forward.

The future industrial and institutional employment estimates for urban fully planned lands should be considered in light of the data and methods limitations and challenges.

Ultimately, large scale industrial and institutional development is extremely difficult to predict. It happens as a large block and is not spatially distributed in an even manner across an area planned for industrial uses (the way residential tends to exhibit even spatial distributions). There is no mystical way to overcome this limitation in a manner that would have significant predictive power and so it is best just documented as a limitation of the data and methods.

The modeling process for buildable Urban Reserves requires a number of assumptions due to the extent of parameters that cannot be known in advance with precision for land use condition projections at this scale and timeframe. Assumptions that are not demonstrably precise do not necessarily translate to inaccuracy at the regional level. If the assumptions are reasonable then accuracy can be achieved. This occurs because precise category assumptions at the parcel scale and various parameter assumptions should not be systemically skewed and therefore low and high projections will tend to cancel each other out at the regional scale.

While the assumptions in this analysis seek to present a realistic future distribution of population and employment, the overall approach is conservative from the standpoint of service delivery in the spatial distribution of employment and population. Conservative means less concentrated population and employment. Conservative assumptions translate into fewer customers and taxable entities within a given service area. Here are examples of the type of assumptions that may be ultimately considered somewhat conservative:

- Population densities may be higher than modeled. Current land use planning policy promotes high residential densities that would concentrate more people in a smaller area. The analysis presented here assumes that these policies will be moderately successful, but this is tempered by past and actually measured population density parameters. Over the long-term, policy preferences may change away from ever higher urban density; in a democratic republic, this will result in electors who will change these policies. If actual future development fully achieves the density aspirations of current land use policy then the concentration of customers will be higher than reported in the analysis. However, it is unlikely the percentage spatial distributions will change appreciably because success of these current policies will likely be evenly dispersed across the study area.
- The analysis assumes relatively little redevelopment of existing built areas. Again this is a conservative assumption because redevelopment is most likely to occur near existing services within the district and expand the customer and tax base without expanding spatial service demands. Redevelopment is very difficult to predict with any reasonable degree of accuracy. The analysis largely assumes redevelopment will not occur. If redevelopment does materialize in a significant manner, it is expected this would only help and not hurt RVTB service within the existing boundary and would have minimal effect on choices about where an appropriate urban boundary would otherwise be located.

The Urban Reserve development assumptions rely on basic underlying future conditions being roughly similar to the past. Major changes in policy, technology, economics, and/or culture could change these projections in ways that would render them inaccurate. Examples of these types of changes are numerous. Oregon could completely scrap the land use system in favor of a totally new and unknown policy system. Major changes to transportation technology could change urban form in unpredictable ways. Major economic changes to the cost of transportation could occur. However, any modeling effort of these changes would be nothing more than an exercise in fantasy and would have minimal utility from a meaningful policy and boundary choice analysis perspective.

5. CONCLUSION

5.1. Boundary Analysis and Policy Implications

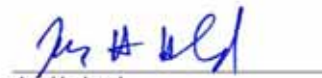
Tech Memo #5 lays forth the conclusions and implications for specific areas in the Rogue Valley in the summary on Page 1. Additionally, here are several conclusions:

- It is essential to recognize that if Regional Problem Solving is not adopted and acknowledged substantially as proposed, the assumptions and analysis presented in Tech Memo #5 would be impaired and an alternative analysis would be required.
- The Tech Memo #5 analysis used factors of slope and proximity to major roadway infrastructure and a hierarchical assignment system to estimate reasonable land use distributions at the parcel level. The basic assumption is that standard single family development patterns can go anywhere but the other more site-critical uses cannot. So, the method selects lands for all other uses guided by the broad RPS percentages until the acreage needed for that category is satisfied. Here is the order: Institutional and Parks; Commercial; Institution; Industrial; Multi-family; Single-family medium density; Single-family low density; Standard single family.
- The RPS plan aggregates institutional uses with other employment uses. Yet these land uses typically tend to be hospitals, higher education centers, research centers, and defense and justice institutions that require spacious, campus-like development patterns. These uses tend to create significant concentrations of demand for transit service. Serving institutional lands makes good fiscal sense from an RVTD serviceability standpoint provided the service can be accommodated with minimal effort and expense.
- RVTD industrial service levels reflect lack of service in the Tolo area where the RPS plan contemplates expanding industrial uses over time. The timing of these plans and employment growth in this area is difficult to predict. Thus, the urgency of transit service in this area is not likely as acute when compared to the more immediate growth potential in other areas.
- For population, Eagle Point is by far the most significant population concentration outside the existing RVTD boundary. For employment, concentrations are largely in western White City and in the Tolo area, although Tolo is not expected to be a rapidly growing employment area in the immediate future. Essentially, inclusion of western White City, Eagle Point, and the small growth area immediately north of the existing district boundary in northeast Central Point would result in virtually complete district coverage of the urban population. The same would be true of employment within the urban study area with the lone exception of the Tolo area.

5.2. Next Step

The next step is scenario development. Through the funding analysis the project will develop potential criteria and boundary scenarios for feasibility and consideration. The consultant team expects to work with RVTD to develop three or four feasible scenarios for boundary changes and these will be brought before the committees in the coming months.

CSA Planning, Ltd.



Jay Harland
Principal

cc. File

5.2.6 Technical Memo #6



Rogue Valley Transportation District Boundary Analysis Technical Memo #6 Revenue and Cost Model Analysis

To: Rogue Valley Transportation District
Date: March 6, 2010
Subject: Revenue Impacts of Boundary Expansion, Payroll Tax and Change of Organization;
Cost Estimates

Executive Summary	- 2 -
RVTD Budget	- 4 -
Budget History	- 4 -
Boundary Choices	- 8 -
Eagle Point	- 10 -
Tolo	- 12 -
West White City	- 13 -
Property Tax	- 15 -
Payroll Tax	- 18 -
Summary	- 23 -
Appendix C- Rural Withdrawal	- 24 -
Appendix D-Primary Service Corridor	- 25 -
Primary Service Corridor	- 25 -

Executive Summary

This analysis presents a summary of existing and historic funding sources for RVTB and investigates the potential for increasing revenue through changes to the boundary of the service district and changes to the taxation structure within the boundary. Potential for revenues are compared to cost estimates for different geographies and levels of service that RVTB may consider providing in future years. The analysis is an important part of creating a financial plan for the district pursuant to the goals laid out in the RVTB Long Range Plan and the RVTB Strategic Plan. Estimates are subject to detailed accounting of specific policy scenarios.

Certain areas adjacent to the RVTB boundary are expected to receive substantial growth over the planning horizon, between 2010 and 2030, particularly the areas around Tolo Road, the western portion of White City and Eagle Point. Other areas within the boundary are expected to become more densely developed. This increasing density is expected to result in increased revenue to RVTB through its property tax of \$0.1772 per thousand dollars of assessed value. A sometimes discussed payroll tax would also increase over time due to the same increases in density.

By 2030 revenues from property taxes within the existing boundary and at existing rates can be expected to rise by \$1.25 million in current dollars. Scenarios for a modified property tax rate are evaluated below and have the potential to increase revenue by up to \$3.5 million when enacted and as much as \$7.0 million by 2030. A modified property tax scenario assumes that substantial obstacles to doing so can be overcome.

A payroll tax at various levels is also considered for each of the areas adjacent to the boundary and for the existing district. The payroll tax also varies with density of development and development over time. A payroll tax could generate as much as \$10.3 million at 0.6% when enacted, \$13.3 million by 2030.

The three specific scenarios for increased service, Eagle Point, West White City and the Tolo Rd. area have cost associated with their service and also associated revenues. Table 1 below shows estimated costs of providing service at three different levels of service and the revenues associated with property taxes, grants and operating revenues which would be gained from instituting service in each geography.

Table 1
Boundary Expansion Summary

	Existing Service Levels	Saturday Service	Extended Hours	Total Cost	Increased Revenues
Existing Routes		\$ 924,791	\$ 1,511,782	\$ 2,436,573	
West White City Expansion	\$ 30,973	\$ 5,242	\$ 14,295	\$ 50,509	\$ 32,172
Eagle Point Expansion	\$ 142,681	\$ 24,146	\$ 65,853	\$ 232,679	\$ 219,286
Tolo Expansion	\$ 419,163	\$ 70,935	\$ 193,460	\$ 683,558	\$ 63,827
Total Marginal Cost	\$ 592,816	\$ 1,025,114	\$ 1,785,389	\$ 3,403,319	\$ 315,285
Total Costs	\$ 5,606,741	\$ 6,631,855	\$ 7,392,130	\$ 9,010,060	

A route cost model has been provided to RVTB to estimate costs associated with specific levels of service on any combination of geographic areas to be served. The route cost model separates the many variables involved with transit route cost planning so that planners can manipulate each variable in isolation. This route cost planning tool may help RVTB planners to quickly isolate preferred service alternatives in the future. The variables break down generally as follows:

1. Geographic area to be served, route length
2. Frequency and duration of service, service level

Similarly, revenues can be separated generally into the following categories:

1. Geographic Area
2. Level of taxation
3. Federal and State Funding Levels
4. Business Revenues

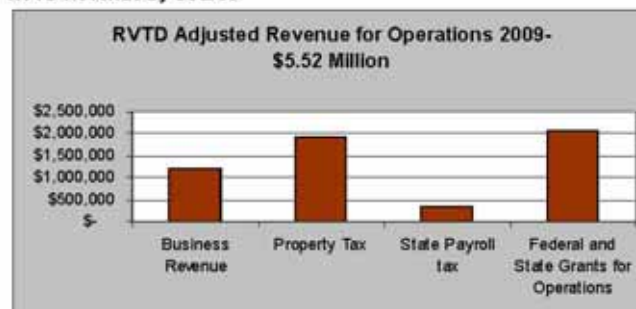
The distinction between costs and revenues associated with geographic areas to be served, potential routes, and service levels on given routes are important for isolating specific cost and revenue from future policy choices. Policy makers seek to optimize the many factors that go into RVTB costs and revenues so as to provide the most service to residents of the valley at the least cost to taxpayers.

The estimates provided in Table 1 and throughout this document are held constant for inflation. They are reported in 2010 dollars for the convenience of the reader.

RVTD Budget

Figure 1 below shows the distribution of revenue by source of funds during the 2009 fiscal year. Planning for future services is complicated by the proportion of revenues which come from highly volatile Federal and State grants. From year to year these funds change based upon the actions of Congress. The unpredictable nature of Federal and State grant funds can lead to wide variance between budgeted and actual revenue and expenditure.

Figure 1:
RVTD Revenue by Source



Budget History

Since the middle of the 1990's RVTD has grown. Major changes have occurred with the advent of State Translink service administered by RVTD, the requirement for Para-transit services in 1996 and also a doubling of fares in 2007 which temporarily reduced ridership but increased revenue by about \$100,000 dollars per year.

Table 2:
RVTD Revenue History- Adjusted to 2009 Dollars

	Business Revenue	Property Tax	State Payroll Tax	Federal and State Grants	Misc.	In Kind	Total
1996	\$ 656,480	\$ 1,530,480	\$ -	\$ 1,566,193	\$ 77,563	\$ -	\$ 3,830,716
1997	\$ 446,535	\$ 1,572,612	\$ -	\$ 1,899,992	\$ 106,043	\$ -	\$ 4,025,182
1998	\$ 484,251	\$ 1,424,713	\$ -	\$ 3,487,238	\$ 148,629	\$ -	\$ 5,524,831
1999	\$ 502,402	\$ 1,440,091	\$ -	\$ 3,414,041	\$ 99,729	\$ -	\$ 5,456,262
2000	\$ 488,552	\$ 1,481,502	\$ -	\$ 2,559,734	\$ 98,813	\$ -	\$ 4,628,601
2001	\$ 838,794	\$ 1,543,942	\$ -	\$ 3,384,226	\$ 113,564	\$ -	\$ 5,880,526
2002	\$ 829,271	\$ 1,629,497	\$ -	\$ 7,979,523	\$ 17,605	\$ -	\$ 10,455,897
2003	\$ 857,862	\$ 1,599,502	\$ -	\$ 10,790,311	\$ 97,688	\$ -	\$ 13,345,363
2004	\$ 835,713	\$ 1,688,042	\$ 277,734	\$ 7,695,497	\$ 95,177	\$ -	\$ 10,592,162
2005	\$ 978,628	\$ 1,666,977	\$ 254,288	\$ 12,127,449	\$ 1,583,972	\$ 225,090	\$ 16,836,405
2006	\$ 1,044,513	\$ 1,729,902	\$ 330,858	\$ 11,216,881	\$ 1,157,600	\$ 239,082	\$ 15,718,837
2007	\$ 1,163,277	\$ 1,769,445	\$ 342,560	\$ 9,552,484	\$ 53,369	\$ 188,643	\$ 13,069,778
2008	\$ 1,161,639	\$ 1,831,117	\$ 335,859	\$ 9,233,406	\$ 138,001	\$ 228,081	\$ 12,928,103
2009	\$ 1,192,922	\$ 1,912,460	\$ 356,076	\$ 9,918,726	\$ 1,045,062	\$ 197,298	\$ 14,622,544

Source: RVTD Annual Audit Reports 2009, 2005. Bureau of Labor Statistics, <http://ftp.bls.gov>, internal charges removed

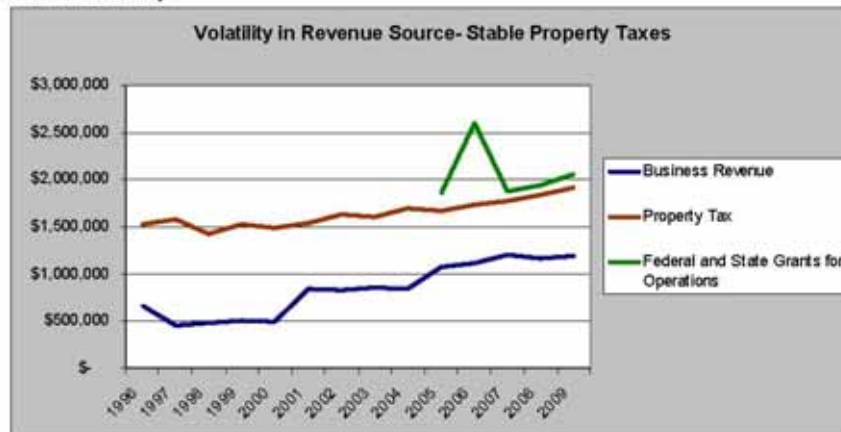
Total revenues to the district have climbed from almost \$4 million in 1996 to \$14.6 million at the end of 2009. The increase in revenues marks an increase in the size of the organization as paratransit and Translink services have been added to the mission of RVTD. TransLink

provides transportation services to eligible Oregon Health Plan and eligible Medicaid clients traveling to authorized medical services. Paratransit is a requirement that was added to the Americans with Disabilities act in 1996 which forces transit systems to operate door to door service for disabled people within $\frac{3}{4}$ mile of every fixed route. In size, the fixed route bus system has become only a fraction of RVTD operations. The fixed routes remain by far the most heavily used part of the system.

When capital costs and the cost of special transportation services through the translink service, miscellaneous revenues such as the recent donation of the Greyhound Station property and in-kind revenues are removed from the historical account, the revenue picture is shown in Figure 2 below.

Revenue that can be used for operations increased from just over \$2 million in 1996 to about \$5.5 million in 2009, adjusted to 2009 dollars. The increase is primarily attributable to increases in federal funding for transit and increases in the revenues generated from RVTD revenue generating activities which include but are not limited to the fare-box. In contrast to grants funding, revenue from property taxes and charges for services are very stable.

Figure 2:
Revenue Volatility



Note: Data for Federal and State Grant revenues are not available prior to 2005

Although data previous to 2005 are not available for Federal and State grant funding, the spike in 2005 shown on the graph is an indication of the relative volatility.

RVTD has less ability to manage variation in operating funds than it does variation in State and Federal revenue for capital projects. This is because RVTD has some ability to defer capital expenses until funds become available while this is not true for operating expenses. Operational funding affects the ability of the district to provide bus service on a day to day basis and volatility in any one revenue source may affect service or even cause the cancellation of routes.

Table 3:
Operations Only Revenue

	Business Revenue	Property Tax	State Payroll tax	Federal and State Grants for Operations	Total
1996	\$ 656,480	\$ 1,530,480	\$ -		\$ 2,186,961
1997	\$ 446,535	\$ 1,572,612	\$ -		\$ 2,019,147
1998	\$ 484,251	\$ 1,424,713	\$ -		\$ 1,908,963
1999	\$ 503,199	\$ 1,532,190	\$ -		\$ 2,035,388
2000	\$ 486,552	\$ 1,481,502	\$ -		\$ 1,968,054
2001	\$ 838,794	\$ 1,543,942	\$ -		\$ 2,382,736
2002	\$ 829,271	\$ 1,629,497	\$ -		\$ 2,458,768
2003	\$ 857,862	\$ 1,599,502	\$ -		\$ 2,457,364
2004	\$ 835,713	\$ 1,688,042	\$ 277,734		\$ 2,801,489
2005	\$ 1,075,023	\$ 1,666,977	\$ 254,288	\$ 1,867,006	\$ 4,863,294
2006	\$ 1,111,541	\$ 1,729,902	\$ 330,858	\$ 2,596,291	\$ 5,768,593
2007	\$ 1,203,644	\$ 1,769,445	\$ 342,560	\$ 1,879,553	\$ 5,195,202
2008	\$ 1,157,507	\$ 1,831,117	\$ 335,859	\$ 1,944,990	\$ 5,269,472
2009	\$ 1,192,922	\$ 1,912,460	\$ 356,076	\$ 2,060,645	\$ 5,522,103
Percent	22%	35%	6%	37%	100%

Source: RVTDCAFR

Note: Data for Business revenue and Federal and State grants changed due to accounting procedures in 2005

Revenue generated from RVTDC business activities includes revenue from the fare box but also includes monthly bus passes, agreements with major users of the system and advertising.

When revenue from capital expenses gifts, in-kind bargains and other non-cash sources are removed from the data, revenue from business operations generated 22% of revenue available for operating expenses. Property taxes were 35% of revenues available for operations.

Federal and State Funds

The Federal Transit Administration has a number of grant programs which may apply to RVTDC programs at different times. The criteria for each program may change from year to year. RVTDC proposals may also match program criteria differently depending upon when and how they are proposed. Table 4 on page 7 contains a list of 20 such programs. Only four programs are listed in technical memo #2 as major sources of RVTDC funding, although at different times and circumstances most could be relevant to RVTDC financial planning, particularly with regard to service expansion and change of boundary decisions.

One important source of revenue are 5307 formula grants. These funds will be drastically reduced when the District reaches 200,000 in population. Estimates by REMI Northwest and CSA Planning indicate that by 2030, the population of the existing RVTDC district and the three study areas is expected to be 187,455 people. The current population of the district and the study areas is estimated to be 151,719 people.

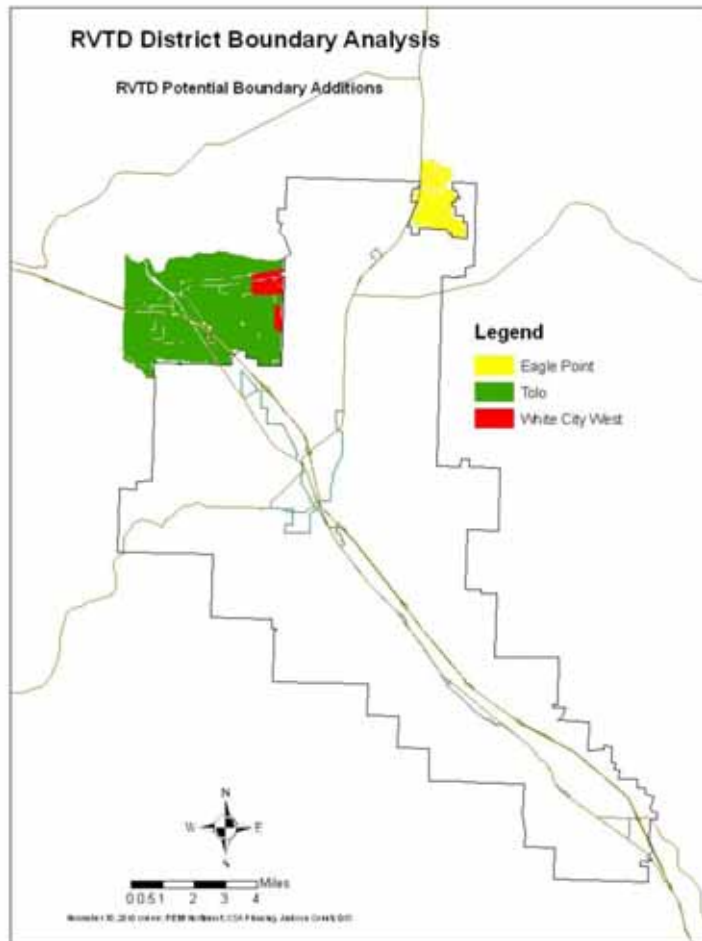
Table 4:
Federal Transit Administration- Major Grant Programs

- * Metropolitan & Statewide Planning (5303, 5304, 5305)
- * Urbanized Area Formula Program (5307)

- * Clean Fuels Grant Program (5308)
- * Major Capital Investments (New Starts & Small Starts) (5309(b)(1))
- * Fixed Guideway Modernization (5309 (b)(2))
- * Bus and Bus Facilities (5309, 5318)
- * Transportation for Elderly Person and Persons with Disabilities (5310)
- * Formula Grants for Other than Urbanized Areas (5311)
- * Rural Transit Assistance Program (5311(b)(3))
- * Public Transportation on Indian Reservations (5311(c))
- * Over-the-Road Bus Program
- * Transit Cooperative Research Program (5313)
- * National Research & Technology Program (5314)
- * Job Access and Reverse Commute Program (5316)
- * New Freedom Program (5317)
- * Paul S. Sarbanes Transit in Parks Program (5320)
- * Alternatives Analysis (5339)
- * University Transportation Centers Program (TEA-21 5505)
- * Flexible Funding for Highway and Transit
- * TIGGER Program

Boundary Choices

Map 1
Potential Expansion Areas



Three major boundary changes were identified by CSA Planning in their inventory of the areas served by RVTD and the areas that may one day be served. Total revenue was estimated based upon actual assessed values of property, the RVTD tax rate and the percentage of total RVTD funding made up by property taxes within the existing service territory. Adding lands by making changes to the existing district would result in small initial increases in revenue, most notably in Eagle Point. By 2030 development in these areas would

increase revenue to approximately \$250,000 dollars per year. In tables 6 and 7 the direct property tax impacts are shown followed by estimated total revenue impacts of the three boundary changes.

Map 1 shown above indicates the areas considered for expansion in this analysis. Three other very small areas are mentioned by CSA planning for consideration as areas where expansion by annexation is recommended although these small groups of properties are not expected to have significant impacts to the RVTB budget due to their small size.

Table 5 shows the population impacts of adding the three new territories.

Table 5:
Population Estimates for RVTB Boundary and Expansion Areas

	2010	2030
Current Boundary	141,657	174,743
Eagle Point, White City, Tolo	10,062	12,702
Current Boundary + Three Areas	151,719	187,445

Source: CSA Planning

One concern voiced by RVTB staff has been that the population of the existing boundary may approach 200,000 during the planning horizon, a critical threshold which will reduce Federal funding. By 2030, population estimates by REMI Northwest and CSA Planning, shown in table 5 above do not indicate a threat to Federal funding due to growth of the District or growth of the three expansion areas considered for this analysis.

Table 6:
Property Tax Impacts from Boundary Additions- Existing RVTB tax rate is \$0.1772 per \$1,000 assessed value

	Eagle Point		Tolo		West White City	
	2010	2030	2010	2030	2010	2030
\$0.1772 per thousand	\$ 89,531	\$ 141,227	\$ 26,060	\$ 83,866	\$ 14,899	\$ 23,395
\$0.25 per thousand	\$ 126,313	\$ 199,247	\$ 36,766	\$ 118,321	\$ 21,019	\$ 33,007
\$0.30 per thousand	\$ 151,576	\$ 239,097	\$ 44,119	\$ 141,985	\$ 25,223	\$ 39,608
\$0.35 per thousand	\$ 176,839	\$ 278,946	\$ 51,472	\$ 165,649	\$ 29,427	\$ 46,209
\$0.40 per thousand	\$ 202,102	\$ 318,796	\$ 58,825	\$ 189,313	\$ 33,631	\$ 52,811
\$0.45 per thousand	\$ 227,364	\$ 358,645	\$ 66,178	\$ 212,977	\$ 37,835	\$ 59,412
\$0.50 per thousand	\$ 252,627	\$ 398,495	\$ 73,531	\$ 236,641	\$ 42,039	\$ 66,013

Total revenues depend upon several factors. In Table 7 below the total revenue impacts are estimated assuming that existing non-property tax revenues will grow proportionately with the increase in property taxes.

Table 7:
Estimated Total Revenue Impacts from Boundary Additions- Property Tax Scenarios

	Eagle Point		Tolo		West White City	
	2010	2030	2010	2030	2010	2030
\$0.1772 per thousand	\$ 219,286	\$ 345,903	\$ 63,827	\$ 205,410	\$ 32,172	\$ 50,520
\$0.25 per thousand	\$ 262,556	\$ 414,157	\$ 76,422	\$ 245,942	\$ 39,157	\$ 61,488
\$0.30 per thousand	\$ 294,631	\$ 464,752	\$ 85,758	\$ 258,240	\$ 44,268	\$ 69,513
\$0.35 per thousand	\$ 327,047	\$ 515,895	\$ 95,193	\$ 271,152	\$ 49,424	\$ 77,610
\$0.40 per thousand	\$ 359,820	\$ 567,581	\$ 104,732	\$ 284,709	\$ 54,627	\$ 85,781
\$0.45 per thousand	\$ 392,968	\$ 619,870	\$ 114,380	\$ 298,945	\$ 59,881	\$ 94,031
\$0.50 per thousand	\$ 426,511	\$ 672,780	\$ 120,099	\$ 313,892	\$ 65,187	\$ 102,363

Eagle Point

Eagle point is notable on the map of the RVTB district because the land right up to the border of the City is included in the District while the city itself is excluded as an island. The City has experienced substantial growth in recent years and is often considered a candidate for service expansion. Service expansion to Eagle Point is made difficult or impossible however due to its current exclusion from the district. An analysis of the benefits and costs of including Eagle Point in the District suggests that potential revenues likely do cover costs associated with some level of service.

Under the current tax structure, the addition of Eagle Point would add modestly to revenues of the district and such revenues could be expected to increase with time as development continues to occur in Eagle Point. In Table 8, shown below, revenues are projected to grow with population density, but both costs and revenues are held constant for inflation, as are all of the estimates in this document. Revenue over time can be shown to grow beyond even the highest cost projections over the planning horizon. Revenues from the addition of Eagle Point in the near term can be expected to cover service levels which include Saturday and Extended hours.

Potential property taxes if Eagle Point were brought into the district range from about \$89,000 under the current property tax of \$0.1772 per thousand dollars of assessed value to as much as \$252,627 if the maximum tax rate under the law were charged.

Opportunities for service to Eagle Point are not limited to simply including the City in the district. Inclusion is only one alternative. Due to the current inability of RVTB as it is currently constituted to increase property taxes, it may be an advantage to think of Eagle Point as a separate transit district which operates service under contract with RVTB. The distinction would allow a separate property tax rate to be set for the district and may enable Federal grant funding opportunities that would otherwise be unavailable.

Table 8:
Eagle Point- Revenue and Total Operating Cost for 3 Scenarios

	Projected Revenue	Existing Service	Extended Hours	Extended Hours+Saturday
2010	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2011	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2012	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2013	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2014	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2015	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2016	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2017	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2018	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2019	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2020	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2021	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2022	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2023	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2024	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2025	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2026	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2027	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2028	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2029	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679
2030	\$ 219,286	\$ 142,681	\$ 208,533	\$ 232,679

Table 9:
Eagle Point Property Tax and other Revenue

	Property Tax		Other Revenue		Total	
	2010	2030	2010	2030	2010	2030
\$0.1772 per thousand	89,531	141,227	\$ 129,755	\$ 204,676	\$ 219,286	\$ 345,903
\$0.25 per thousand	126,313	199,247	\$ 136,243	\$ 214,910	\$ 262,556	\$ 414,157
\$0.30 per thousand	151,576	239,097	\$ 143,055	\$ 225,655	\$ 294,631	\$ 464,752
\$0.35 per thousand	176,839	278,946	\$ 150,208	\$ 236,938	\$ 327,047	\$ 515,895
\$0.40 per thousand	202,102	318,796	\$ 157,718	\$ 248,785	\$ 359,820	\$ 567,581
\$0.45 per thousand	227,364	358,645	\$ 165,604	\$ 261,224	\$ 392,968	\$ 619,870
\$0.50 per thousand	252,627	398,495	\$ 173,884	\$ 274,286	\$ 426,511	\$ 672,780

Tolo

The Tolo area is shown in green on Map 1. This area is expected to receive substantial growth over the planning horizon. It includes the area adjacent to Central Point as well as the Tolo Road area, mentioned in Tech Memo #5.

Table 10, shown below indicates that the area considered for expansion would be expensive to serve in even the lowest cost scenario while revenues generated from the additional population and business activity would at no point match increased costs.

Table 10:
Tolo Road- Revenue and Total Operating Cost for 3 Scenarios

	Projected Revenue	Existing Service	Extended Hours	Extended Hours+Saturday
2010	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2011	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2012	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2013	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2014	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2015	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2016	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2017	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2018	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2019	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2020	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2021	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2022	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2023	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2024	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2025	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2026	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2027	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2028	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2029	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558
2030	\$ 63,827	\$ 419,163	\$ 612,623	\$ 683,558

The analysis assumes that service would be provided to the affected area. If service is not provided then revenues from business activities would not materialize.

Table 11:
Tolo

	Property Tax		Other Revenue		Total	
	2010	2030	2010	2030	2010	2030
\$0.1772 per thousand	26,060	83,866	\$ 37,767	\$ 121,545	\$ 63,827	\$ 205,410
\$0.25 per thousand	36,766	118,321	\$ 39,656	\$ 127,622	\$ 76,422	\$ 245,942
\$0.30 per thousand	44,119	141,985	\$ 41,639	\$ 134,003	\$ 85,758	\$ 258,240
\$0.35 per thousand	51,472	165,649	\$ 43,721	\$ 140,703	\$ 95,193	\$ 271,152
\$0.40 per thousand	58,825	189,313	\$ 45,907	\$ 147,738	\$ 104,732	\$ 284,709
\$0.45 per thousand	66,178	212,977	\$ 48,202	\$ 155,125	\$ 114,380	\$ 298,945
\$0.50 per thousand	73,531	236,641	\$ 50,612	\$ 162,881	\$ 120,099	\$ 313,892

Property Tax and other Revenue

West White City

The West White City area is small in comparison to the other two proposed geographies. Employment within the area is relatively large however accounting for the relatively high impact that inclusion of the area has in a payroll tax scenario. The impact of the West White City area is smaller than Tolo and Eagle Point because the area being considered is only a fraction of the size of the other two. The West White City area is the most proximate to existing RVTB services and has the highest density of employment and property values.

Expansion of the district to the West White City area could be justified based on revenues if service levels similar to what RVTB offers on most of its routes are provided. Revenues would not be adequate to cover Saturday service or planned extended hours unless substantial economies become apparent in the process of detailed financial planning for the route.

Expansion of the District to the Western portion of White City which is not already included in the District, and providing service there, is assumed to follow an extension of service to White City from Highway 62. It is therefore probable that detailed financial planning will show that the same level of service to the added territory as what is provided to the rest of White City is most economical.

Table 12:
West White City- Revenue and Total Operating Cost for 3 Scenarios

	Projected Revenue	Existing Service	Extended Hours	Extended Hours+Saturday
2010	\$ 32,172	\$ 30,973	\$ 45,268	\$ 50,509
2011	\$ 33,090	\$ 30,973	\$ 45,268	\$ 50,509
2012	\$ 34,007	\$ 30,973	\$ 45,268	\$ 50,509
2013	\$ 34,924	\$ 30,973	\$ 45,268	\$ 50,509
2014	\$ 35,842	\$ 30,973	\$ 45,268	\$ 50,509
2015	\$ 36,759	\$ 30,973	\$ 45,268	\$ 50,509
2016	\$ 37,677	\$ 30,973	\$ 45,268	\$ 50,509
2017	\$ 38,594	\$ 30,973	\$ 45,268	\$ 50,509
2018	\$ 39,511	\$ 30,973	\$ 45,268	\$ 50,509
2019	\$ 40,429	\$ 30,973	\$ 45,268	\$ 50,509
2020	\$ 41,346	\$ 30,973	\$ 45,268	\$ 50,509
2021	\$ 42,263	\$ 30,973	\$ 45,268	\$ 50,509
2022	\$ 43,181	\$ 30,973	\$ 45,268	\$ 50,509
2023	\$ 44,098	\$ 30,973	\$ 45,268	\$ 50,509
2024	\$ 45,016	\$ 30,973	\$ 45,268	\$ 50,509
2025	\$ 45,933	\$ 30,973	\$ 45,268	\$ 50,509
2026	\$ 46,850	\$ 30,973	\$ 45,268	\$ 50,509
2027	\$ 47,768	\$ 30,973	\$ 45,268	\$ 50,509
2028	\$ 48,685	\$ 30,973	\$ 45,268	\$ 50,509
2029	\$ 49,603	\$ 30,973	\$ 45,268	\$ 50,509
2030	\$ 50,520	\$ 30,973	\$ 45,268	\$ 50,509

Table 13:
West White City Property Tax and other Revenue

	Property Tax		Other Revenue		Total	
	2010	2030	2010	2030	2010	2030
\$0.1772 per thousand	14,899	23,395	\$ 17,274	\$ 27,125	\$ 32,172	\$ 50,520
\$0.25 per thousand	21,019	33,007	\$ 18,137	\$ 28,481	\$ 39,157	\$ 61,488
\$0.30 per thousand	25,223	39,608	\$ 19,044	\$ 29,905	\$ 44,268	\$ 69,513
\$0.35 per thousand	29,427	46,209	\$ 19,996	\$ 31,400	\$ 49,424	\$ 77,610
\$0.40 per thousand	33,631	52,811	\$ 20,996	\$ 32,970	\$ 54,627	\$ 85,781
\$0.45 per thousand	37,835	59,412	\$ 22,046	\$ 34,619	\$ 59,881	\$ 94,031
\$0.50 per thousand	42,039	66,013	\$ 23,148	\$ 36,350	\$ 65,187	\$ 102,363

Property Tax

Property tax revenues are affected by a number of factors outside of the control of RVTB. Most important among the factors is the system in Oregon of limiting the assessment upon which property taxes are based. Because the increase in property tax assessments are limited to 3% per year, property taxes are not linked to real estate market fluctuations. During the period of rapid real estate market inflation of the previous decade, property taxes still increased at only 3% per year. Conversely, during the recent downturn in real estate market prices, property tax assessments were unaffected and continued to increase at 3% per year. This system creates stability for jurisdictions that are dependent upon the property tax and allows confident long range plans to be put in place for programs based on the property tax. See the Jackson County tax assessor website for more information on property tax limitation, "FALLING MARKET VALUES AND YOUR 2009 TAXES."

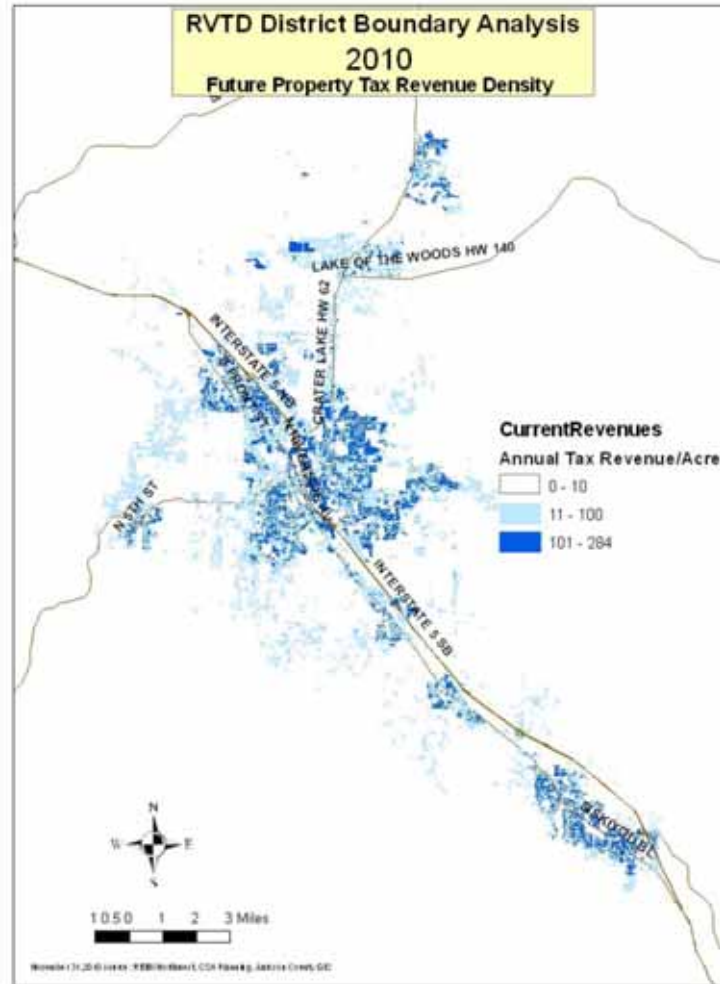
Other factors which affect the property tax are Urban Renewal Areas, properties designated as historic in the National Register of Historic Places and the e-commerce zone which provides tax exemptions for certain types of investment. Taken together, exemptions and exclusions reduce the potential revenue to RVTB of the property tax by about 5.5%. This diversion of revenue from RVTB is factored into estimates for property tax revenues in all of the scenarios.

Table 14:
Range of Property Tax Revenues- Entire District

Existing District	Tax Increment		Total Revenue for Operations	
	2010	2030	2010	2030
Existing Property Tax	\$ -	\$ 1,250,081	\$ 5,522,103	\$ 6,772,184
\$0.25 per thousand	\$ 785,706	\$ 2,549,364	\$ 6,307,809	\$ 8,071,467
\$0.30 per thousand	\$ 1,325,339	\$ 3,441,728	\$ 6,847,442	\$ 8,963,831
\$0.35 per thousand	\$ 1,864,972	\$ 4,334,093	\$ 7,387,075	\$ 9,856,196
\$0.40 per thousand	\$ 2,404,605	\$ 5,226,458	\$ 7,926,708	\$ 10,748,561
\$0.45 per thousand	\$ 2,944,239	\$ 6,118,823	\$ 8,466,342	\$ 11,640,926
\$0.50 per thousand	\$ 3,483,872	\$ 7,011,187	\$ 9,005,975	\$ 12,533,290

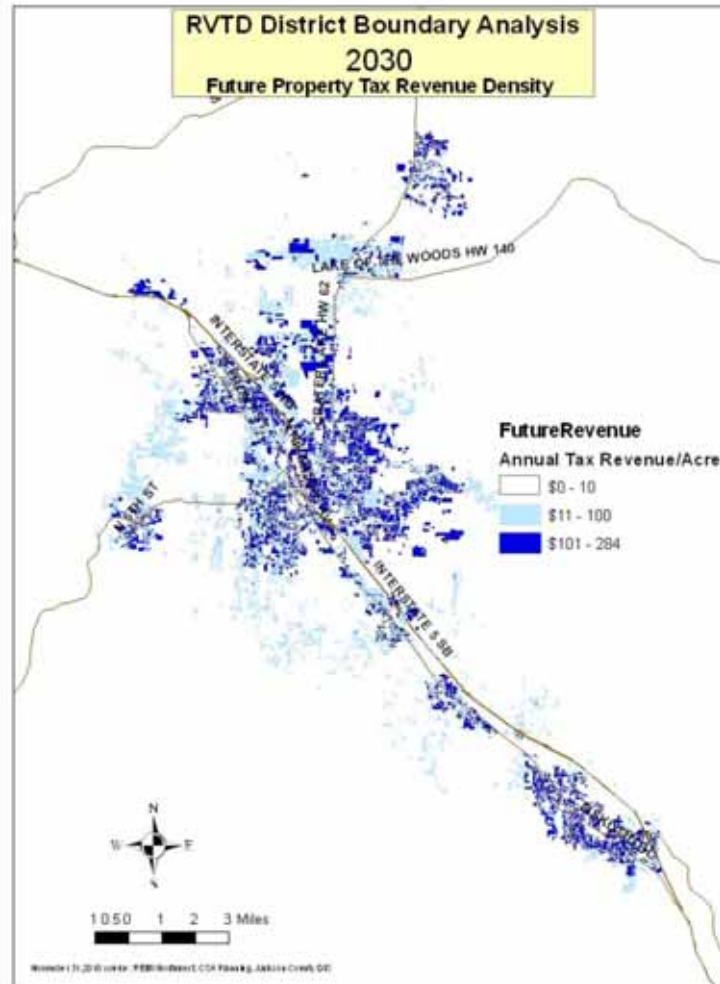
The locations where property tax revenues come from are not evenly spread across the district due to variation in the density of development. Areas outside the district also do not have equal potential contributions to property tax revenues in the event that they are brought into the district. In Map 2 properties are shown which provide between \$10 and \$100 per acre of revenue to RVTB in light blue and those that provide more than \$100 per acre in darker blue. Property tax revenues are shown to be derived primarily from urban areas. Revenues from more rural areas are relatively small. The Eagle Point area is shown as potentially providing revenues similar to urban areas of Medford and other cities of the region while the rural areas around Tolo Road are shown to be of little immediate value to the transit district as a potential generator of property tax revenue.

Map 2
Current Property Tax Revenue



Map 3 shows the relative concentration of property tax revenues by the properties from which they are assessed. Darker colors indicate very dense property tax revenue while an absence of color indicates very little or no revenue when calculated on a per acre basis.

Map 3:
Future Property Tax Revenue- 2030



Map 3, like map 2, shows the relative density of property tax revenue but as it is concentrated in 2030. Revenue are expected to be concentrated in much the same way as they are in 2010 although in both maps 2 and 3, property taxes can be seen to be much more dispersed than potential payroll taxes in terms of the number of actual payers. By 2030 the source of property tax revenues will continue to be concentrated in urban areas with increases in revenues coming from higher densities within urban areas much more so than expansion into rural areas. One notable exception is north of Central Point in the Tolo Road area, a subject of this analysis.

Changes to the property tax rate are complicated by the requirement for a change of organization under ORS 198.705-198.775. The dissolution and reconstitution of the RVTB Service District would require a ballot measure just as the proposed payroll tax would.

Payroll Tax

Another commonly talked about funding solution for RVTB is instituting a payroll tax. A payroll tax is different than a property tax in several ways. As a tax on annual earnings, the payroll tax is measured as a percent of annual earnings. This is different than a property tax which is measured in mills, or dollars per thousand dollars of assessed value of a property. The payroll tax therefore varies with the amount of total earnings by wage and salaried employees of the region.

Table 14 below shows revenue scenarios in which a payroll tax from 0.1% to 0.8% are instituted for the district as a whole. In the existing district a payroll tax between 0.3% and 0.4% would accommodate the needs of programs in tier one plan of the RVTB Long Range Plan. Estimates are adjusted for exemptions and collection costs and are listed in 2009 dollars. Forecasts for 2030 should therefore not be adjusted for inflation.

As with the property tax revenues, revenues from the existing district dwarf potential revenues from any expansion. Payroll tax scenarios are not assumed to replace current revenue sources, they are assumed to augment them. Total operating revenue in payroll tax scenarios are therefore the sum of payroll taxes, property taxes at current rates, Federal and State funds and estimated revenues from business activities. Oregon law allows the District to have a payroll tax of up to 0.8%. Table 15 shows payroll taxes in isolation from these other revenue sources.

Table 15:
Payroll Tax Scenarios for Existing District

Payroll Tax Scenario	Tax Revenue		Total Revenue	
	2010	2030	2010	2030
1/10th Percent	\$ 1,997,089	\$ 1,997,089	\$ 7,519,192	\$ 7,519,192
2/10th Percent	\$ 3,994,178	\$ 3,994,178	\$ 9,516,281	\$ 9,516,281
3/10th Percent	\$ 5,991,268	\$ 5,991,268	\$ 11,513,371	\$ 11,513,371
4/10th Percent	\$ 7,988,357	\$ 7,988,357	\$ 13,510,460	\$ 13,510,460
5/10th Percent	\$ 9,985,446	\$ 9,985,446	\$ 15,507,549	\$ 15,507,549
6/10th Percent	\$ 11,982,535	\$ 11,982,535	\$ 17,504,638	\$ 17,504,638
7/10th Percent	\$ 13,979,625	\$ 13,979,625	\$ 19,501,728	\$ 19,501,728
8/10th Percent	\$ 15,976,714	\$ 15,976,714	\$ 21,498,817	\$ 21,498,817

Map 2 shows the distribution of payroll throughout the district and possible expansion areas. Payroll can be seen to be more geographically concentrated than property tax revenue and that concentration is centered on the existing and planned fix bus routes of RVTB. Over the coming 20 years, the development pattern in the district is anticipated to continue with the most concentrated employment in areas currently served by RVTB. Exceptions are West White City, the Tolo Road area and Eagle Point where substantial employment is expected.

As with property tax scenarios, total revenues are not limited to the payroll tax and would include all of the other revenues that currently accrue to RVTB. Table 17 below shows total revenues in each of the payroll tax scenarios considered. Payroll tax scenarios are based on a range of possible tax levels and assume full implementation in the first year. Phasing in of revenues from government payers or phased scenarios implemented by RVTB are not included in the analysis. Generally, payroll taxes would affect the average employer as follows in table 16.

Table 16:

Average Payroll \$33,212	Amount of Tax Annually	
1/10th Percent	\$	33
2/10th Percent	\$	66
3/10th Percent	\$	100
4/10th Percent	\$	133
5/10th Percent	\$	166
6/10th Percent	\$	199
6/10th Percent	\$	232
6/10th Percent	\$	266

For the average paying job in Southern Oregon, \$33,212, payroll taxes might range from \$33 per year to \$266 per year at the highest level of taxation considered, 0.8%. All of the scenarios considered are less than one percent of total annual income.

In the public discussion of the payroll tax several different ways of articulating the payroll tax are used. Use of multiple terms to mean the same thing sometimes creates confusion when discussing the payroll tax. The following equation shows the various ways of describing the same level of tax.

One Tenth = $1/10^{\text{th}}$ = 0.1% = 0.10% = \$0.001 per Dollar = \$0.10 per \$100 Dollars = 10 cents per \$100

Table 17:

Payroll Tax Scenarios- Payroll Taxes Only

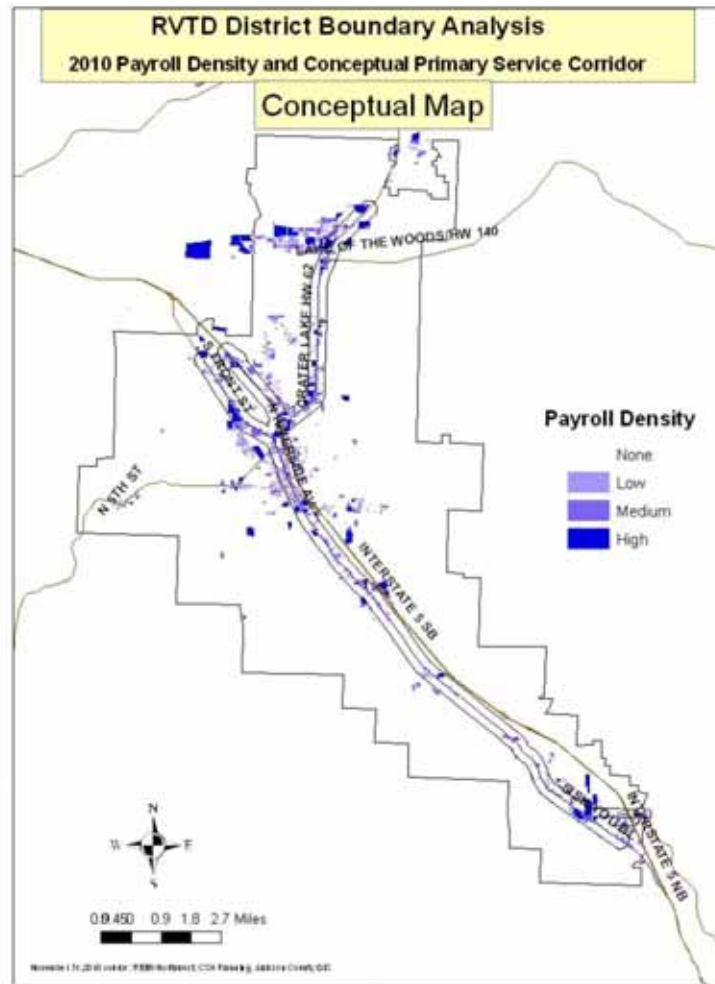
	Eagle Point		Tolo		West White City	
	2010	2030	2010	2030	2010	2030
1/10th Percent	\$ 44,453	\$ 50,248	\$ 2,439	\$ 32,448	\$ 16,506	\$ 13,532
2/10th Percent	\$ 88,907	\$ 100,497	\$ 4,878	\$ 64,897	\$ 33,013	\$ 27,063
3/10th Percent	\$ 133,360	\$ 150,745	\$ 7,317	\$ 97,345	\$ 49,519	\$ 40,595
4/10th Percent	\$ 177,813	\$ 200,993	\$ 9,756	\$ 129,793	\$ 66,025	\$ 54,126
5/10th Percent	\$ 222,267	\$ 251,241	\$ 12,195	\$ 162,241	\$ 82,531	\$ 67,658
6/10th Percent	\$ 266,720	\$ 301,490	\$ 14,634	\$ 194,890	\$ 99,038	\$ 81,190
7/10th Percent	\$ 311,173	\$ 351,738	\$ 17,074	\$ 227,138	\$ 115,544	\$ 94,721
8/10th Percent	\$ 355,627	\$ 401,986	\$ 19,513	\$ 259,586	\$ 132,050	\$ 108,253

Total revenues in the payroll tax scenarios shown include property taxes at existing rates, revenues from business operations and other State and Federal revenues.

Table 18:
Total Revenues in Payroll Tax Scenarios- Expansion Areas

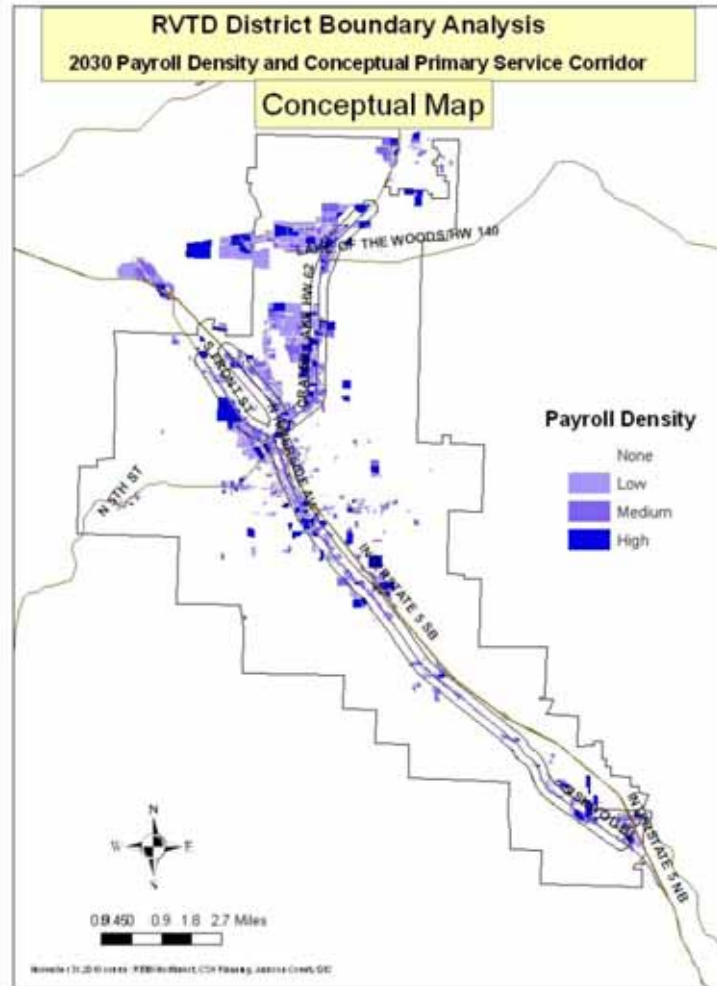
	Eagle Point		Tolo		West White City	
	2010	2030	2010	2030	2010	2030
1/10th Percent	\$ 263,739	\$ 396,151	\$ 66,266	\$ 237,859	\$ 48,679	\$ 64,052
2/10th Percent	\$ 308,193	\$ 446,399	\$ 81,300	\$ 270,307	\$ 65,185	\$ 77,583
3/10th Percent	\$ 352,646	\$ 496,648	\$ 93,075	\$ 302,755	\$ 81,691	\$ 91,115
4/10th Percent	\$ 397,099	\$ 546,896	\$ 104,949	\$ 335,203	\$ 98,197	\$ 104,646
5/10th Percent	\$ 441,553	\$ 597,144	\$ 116,927	\$ 367,652	\$ 114,704	\$ 118,178
6/10th Percent	\$ 486,006	\$ 647,392	\$ 129,015	\$ 400,100	\$ 131,210	\$ 131,710
7/10th Percent	\$ 530,459	\$ 697,641	\$ 137,173	\$ 432,548	\$ 147,716	\$ 145,241
8/10th Percent	\$ 574,913	\$ 747,889	\$ 19,513	\$ 464,997	\$ 164,222	\$ 158,773

Map 4
Payroll in the RVT District and Study Area



Maps 4 and 5 show the relative density of annual gross payroll in the region. Annual payroll is approximately \$2.1 billion to wage and salaried workers within the RVT. The map shows how those earnings are spread across the region by place of work. Darker colors indicate more employment per acre while a lack of color indicates no employment at all.

Map 5:
Payroll in 2030



Map 5 shows density of employment again but for the year 2030 as forecast by CSA Planning and REMI Northwest. The map is similar to Map 4 and indicates that the highest concentrations of payroll in 2030 will be located along the same primary corridors and employment centers as they are currently.

Summary

This analysis has presented the revenue implications of bringing 3 areas into the RVTB boundary. Of the three areas, Eagle Point, Tolo Road and West White City, Eagle Point had the greatest immediate impact on revenues of the district, \$89,000. The small portion of White City which is not already in the boundary has the potential to immediately increase property tax revenue by almost \$12,000 per year at current property tax rates.

Because RVTB would be expanding its scope of operations, it is also likely that other revenues like operating revenues, formula funding and even some other grant funding would increase along with increases in property taxes caused by an expansion of the boundary.

The cost of providing service, when juxtaposed with potential revenues shows that among the three alternatives, the Eagle Point expansion would present the least potential burden on the rest of the system, perhaps even contributing modestly to the system as a whole under some service scenarios. The West White City scenario also covers its cost when a low cost per mile assumption is made while the Tolo Road expansion would not cover its cost under any cost or service level scenario during the planning horizon.

The revenue impact of payroll tax scenarios was also analyzed from 0.1% up to 0.8% tax rates. Based upon current and projected employment in the district, a payroll tax could generate between \$1.7 million and \$30 million dollars. If increased revenues lead to expanded service then business revenues will also increase as a result of the payroll tax.

An expansion of the boundary which includes reconstitution of the district may also lead to changes in the property tax rate. Property tax rates from \$0.25 per thousand up to \$0.50 per thousand in assessed value were analyzed for the existing boundary as well as the areas considered for possible expansion. Property tax rate changes have the potential to increase revenues by as much as \$3.5 million per year. A modest increase to \$0.25 per thousand would increase revenue by \$785,000 per year.

Other scenarios were considered in which certain properties, mostly farm and forest land, are removed from the district. This scenario resulted in a reduction in revenue of \$118,000 per year. The total amount of land removed for this scenario was 22,810 acres of 92,522 acres in the district, about 25% of the total area.

Finally, scenarios were considered in which the district is divided into two tax zones, a primary service corridor in which a higher tax rate is charged and a second zone comprised of the rest of the district in which rates would remain unchanged.

Appendix A- Rural Withdrawal

Having considered the implications of expanding the district boundary in certain locations, boundary contractions were evaluated. A portion of the district is not served by transit and is not expected to develop significantly over the planning horizon. Many of these properties are farm or forest land and pay very few property taxes due to their farm or forest property tax exemptions. An analysis of these properties showed that some revenue reduction in property taxes would occur if these primarily agricultural properties were removed from the boundary. Table 11 below shows the estimated revenue reductions.

Table 17:
Property Tax Reduction from Withdrawal of Certain Rural Lands

	2010	2030
\$0.1772 per thousand	(118,144)	(138,852)
\$0.25 per thousand	(166,493)	(195,677)
\$0.30 per thousand	(199,792)	(234,812)
\$0.35 per thousand	(233,091)	(273,947)
\$0.40 per thousand	(266,389)	(313,083)
\$0.45 per thousand	(299,688)	(352,218)
\$0.50 per thousand	(332,987)	(391,353)

Withdrawal is complicated because much farmland in the district is not contiguous to the border of RVTB and in fact is surrounded by non-farm uses which may more appropriately be included in the district.

At existing tax rates, properties which may be most appropriate for withdrawal from the district contribute an estimated \$118,000 in property tax revenue. They may not contribute toward business type revenue however and due to low population density in those areas, formula funding would be affected only slightly. The ultimate amount of property tax and non-property tax reductions would depend on the criteria that the district chooses for withdrawal. 22,510 acres were considered for removal, 25% of the total area of the district but only 6% of property tax collections. The properties are located generally within in the areas of maps 4 and 5 shown in white.

Appendix-Primary Service Corridor

Primary Service Corridor

One alternative that has been discussed is to leave the property tax unchanged for most of the district while establishing a zone along the corridors where RVTB provides the highest level of service as shown below on Map 6. The theory behind the primary service corridor is that property owners who receive the most direct service from RVTB are the ones who are most willing to bear the cost.

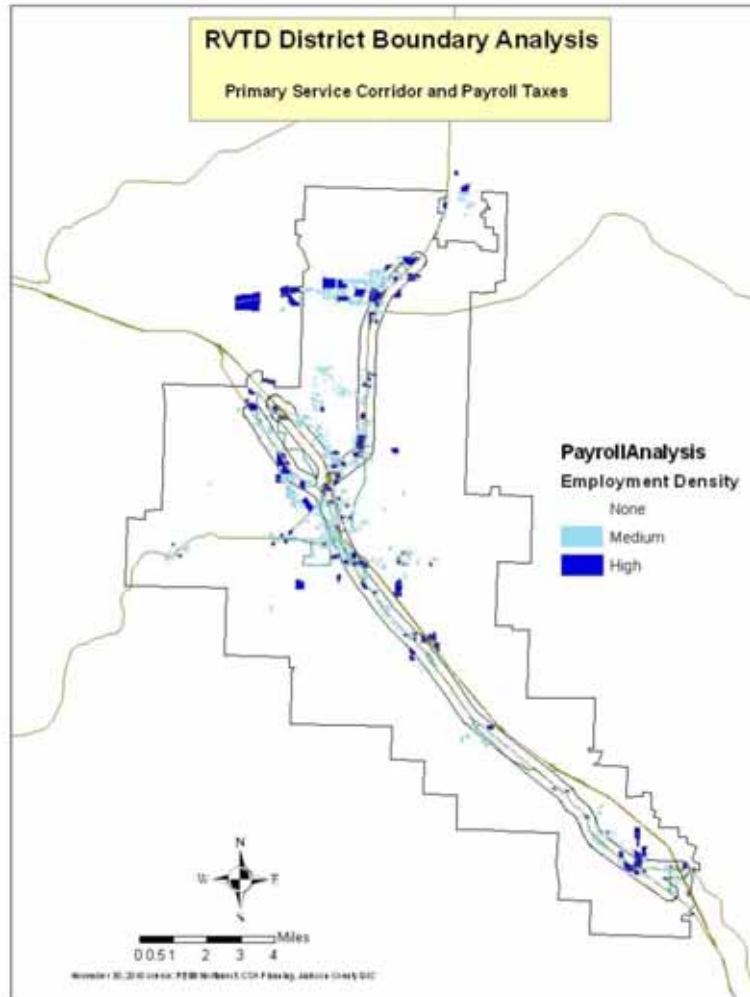
Table 18:
Primary Service Corridor Scenarios

	Tax Revenue		Total Revenue	
	2010	2030	2010	2030
Property Tax Scenario @ \$0.50	\$ 1,199,430	\$ 2,929,609	\$ 6,721,533	\$ 8,451,712
Payroll Tax Scenario	2010	2030	2010	2030
1/10th Percent	\$ 910,564	\$ 1,140,913	\$ 6,432,667	\$ 6,663,016
2/10th Percent	\$ 1,821,128	\$ 2,281,826	\$ 7,343,231	\$ 7,803,929
3/10th Percent	\$ 2,731,692	\$ 3,422,739	\$ 8,253,795	\$ 8,944,842
4/10th Percent	\$ 3,642,255	\$ 4,563,652	\$ 9,164,358	\$ 10,085,755
5/10th Percent	\$ 4,552,819	\$ 5,704,565	\$ 10,074,922	\$ 11,226,668
6/10th Percent	\$ 5,463,383	\$ 6,845,478	\$ 10,985,486	\$ 12,367,581
7/10th Percent	\$ 6,373,947	\$ 7,986,390	\$ 11,896,050	\$ 13,508,493
8/10th Percent	\$ 7,284,511	\$ 9,127,303	\$ 12,806,614	\$ 14,649,406

In table 18 above it is assumed that the property tax rate in the primary service corridor would be the maximum allowed, \$0.50 per thousand dollars in assessed value. For payroll tax scenarios the range of payroll tax scenarios shown is 0.1%-0.8%.

In the maps below the regional gross payrolls and property taxes in 2010 and 2030 are shown again but this time with a primary service corridor overlain on the data to show how a primary service corridor might take advantage of the pattern of development in the district. The corridor shown is based upon a ½ mile corridor, other configurations are possible.

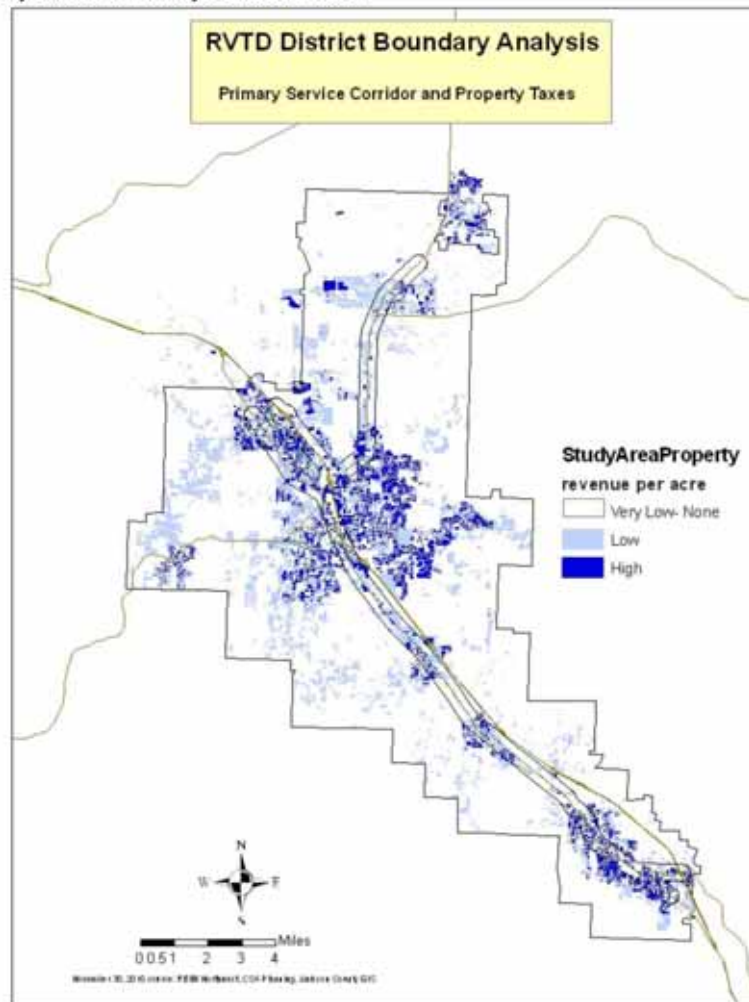
Map 6:
Payroll Taxes and a Primary Service Corridor



The conceptual maps show how one potential configuration of a primary service corridor might look when compared to the relative density of payroll and property taxes both now and in 2030. The region can be seen to be well concentrated around existing RVT service and

can be expected to continue to be so in the future, especially with regard to employment and payroll.

Map 8:
Property Taxes and Primary Service Corridors



5.2.7 Technical Memo #7



Technical Memorandum #7

To: Rogue Valley Transportation District
Date: November 22, 2010
Subject: Criteria for District Inclusion

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1. INTRODUCTION

1.1. Background

The RVTB boundary analysis project to this point has focused on data development and describing the fundamental components of geography including employment, population and local tax revenue appropriate for evaluating boundary alternatives. These components relate to basic RVTB functions such as fixed-route service and para-transit service. A broad overview of the analysis and conclusions of the project thus far is summarized below:

Tech Memo #1- This memo identified the urban study area that encompasses all the lands where potential changes to the RVTB district boundary required analysis.

Tech Memo #2- This memo analyzed the regulatory environment and funding legislation under which RVTB operates. For boundary analysis decision making, the most important regulatory components are annexation and the change of organization procedure. Annexation is the process whereby lands can be added to the district on an area-by-area basis. Annexation can be initiated either by property owner petition or by motion and vote of the RVTB Board. Criteria for the annexation decision making are the local comprehensive land use plan and service agreements between the district and any affected governmental units; determination of consistency with the criteria is made by the Jackson County Board of Commissioners. Change of Organization is a process by which a Special Service District may reconstitute itself through initiation by the RVTB Board, procedural review by the Board of Commissioners and ultimate decision making by the voters. Change of Organization can include changes to the property tax rate, institution of other taxes allowed by law (such as a payroll tax), and changes the geographic boundaries of the district¹.

Tech Memo #3- This memo describes where people and employment are located in the study area and in relation to the existing district boundary, according to four major land use categories: Rural Enduring, Urban Growth Planning, Urban Fully-Planned, and Urban Built. Using these categories, this memo describes where people are located currently and where additional population and employment is likely to go under existing Comprehensive Plans in locations where future significant land use changes are not anticipated.

Tech Memo #4- This memo describes transportation system conditions and investments as they relate to transit service generally and the district boundary more specifically.

Tech Memo #5- Using the categories from the Tech Memo #3 analysis, this memo estimates where the population and employment is expected over the longer term, in the 2020-2060 timeframe. These longer term spatial projections are based heavily on the adoption of the RPS growth plan in a manner substantially consistent with its current draft form. The conclusions in Tech Memo #5 identify three major areas where RVTB district expansion would require more specific revenue and geographic analysis, specifically: Eagle Point, West White City, and the Tolo areas.

¹ These conclusions are based upon a facial reading of the statutes. A comprehensive case law analysis was not performed. Some of the Change of Organization statutes are archaic and disjointed and thus if that is the preferred policy choice some additional research in this area may be warranted.

Tech Memo #6.0&6.5- This memo and analysis was performed by REMI-Northwest Senior Economist Alec Miller. The memo considers several future funding scenarios in relation to the three major areas where significant boundary changes might reasonably occur. This analysis evaluates the extent of revenue that may be generated from inclusion of such areas under existing local revenue conditions and under alternative future revenue conditions.

1.2. Purpose

This memo synthesizes all the information from the previous six memos into a relatively discrete set of major boundary geographical alternatives, as follows:

- Eagle Point
- West White City
- Tolo
- Other Localized Areas

For each of the geographical alternatives, there are three service timing scenarios. The general assumption for each scenario is that the initial level of service is provided at a minimum level of fixed route service. Higher service level priorities are beyond the scope of this analysis and ultimately are a function of the RVTB Board and District management. The service timing scenarios are as follows:

- **Immediate Service-** This timing scenario would provide for fixed route transit service to the new area within 24 months or less of inclusion within the RVTB district boundary.
- **Long-Range Service Planning-** This scenario provides no discreet fixed route service delivery timing, but recognizes the area is appropriate for eventual service as funds become available. Thus, service to the area should be weighed in the planning process in relation to other service priorities for lands already within the district.
- **Programmed Service-** This scenario assumes fixed route service would be programmed to commence between two and four years following district inclusion. This would provide time for RVTB to build service expansion into its operating plans and to program newly-collected revenues from the area toward the service expansion.

Within each of the above timing scenarios the memo analyzes socio-political factors, fiscal considerations, regulatory/procedural requirements and implications for RVTB's long-range plan as it currently exists.

2. EAGLE POINT INCLUSION FACTORS

The Eagle Point area to be considered for inclusion is depicted on Atlas Maps 10, 11 and 12. This area would add all the lands within the entire City Urban Growth Boundary (UGB) and all future growth areas identified in the draft RPS plan.

2.1. Inclusion with Immediate Service

2.1.1. Socio-Political

Including Eagle Point with a plan for immediate service would create immediate beneficiaries for district inclusion. Those who would benefit most from the service would be expected to voice the strongest support for district inclusion.

The challenge is that Eagle Point's current population base and property tax revenues from current millage may not support immediate service delivery without RVTB subsidy. Thus, service delivery at current taxation rates could be accompanied by a backlash from taxpayers who have no service or would see service levels decline in favor of promoting the expanded geographic service area to Eagle Point. This would be an interesting dynamic if the process for inclusion was conducted through annexation. That process essentially

provides for Eagle Point and RVTD reaching service agreements in advance; in reviewing the annexation proposal the Board of County Commissioners is required to adhere to the agreement. Then the RVTD Board would initiate the annexation and the City Council would be required to affirm by resolution. This process provides very little opportunity to voice concerns for those who would continue to be without service or would see their service levels diminish.

If taxation rates (either through payroll or ad valorem) were increased to a level that would allow for at least some immediate service to the City, then the socio-political dynamics would be somewhat different. The principal socio-political question is the degree to which Eagle Point residents would view the service associated with the commensurate taxation rate as a net-benefit to the community. If the process for inclusion was annexation then this would really be the only fundamental question. If Eagle Point was one element among many in a Change of Organization process, then the additional question of regional benefits associated with the inclusion of Eagle Point would become a second important socio-political question and one that would be weighed against the direct perceptions of costs and benefits to the City.

2.1.2. Fiscal

The primary fiscal issue with immediate service to Eagle Point is that direct taxes from current millage rates will not support immediate service delivery. However, projections of total revenues are expected to provide adequate revenues without reallocation of resources from within the existing district boundary. The challenge is that "total revenues" are subject to many factors that have less assurance than direct property tax revenues. The fiscal analysis in Tech Memo #6.0&6.5 shows there are several options for service to Eagle Point with increased taxation rates where Eagle Point would generate enough stand-alone revenue to be self-supporting with similar service levels to other areas in the current RVTD district without trade-offs associated with existing service levels and geographies.

2.1.3. Regulatory/Procedural

Eagle Point could be included either through annexation or as one element in a Change of Organization process. With immediate service delivery, it appears there are no obvious regulatory barriers to Eagle Point's inclusion.

2.1.4. Long-Range Plan Implications

The RVTD Long-Range Plan does not account for the inclusion of Eagle Point in any concrete terms. If Eagle Point were to be included with immediate service delivery then changes to the long-range plan would depend on whether Eagle Point's inclusion preceded any revenue enhancements. Under current tax rates, the plan would need to be amended to significantly alter the Tier 1 planned priorities to reevaluate service to Eagle Point. If inclusion of Eagle Point followed, or was done contemporaneously, with increased taxation rates at a level where Eagle Point could self-support at least minimal service, then Eagle Point would be largely additive to the existing plan and would not require significant reprioritization of planned service improvements.

2.2. Inclusion for Long-Range Service Planning

2.2.1. Socio-Political

Inclusion without definitive plans for service, either through annexation or as an element in a Change of Organization process, would be expected to suffer from the relatively recent historical strife over the RVTD boundary and City annexation procedures. The socio-political challenge would be convincing the Eagle Point electorate that the long-term direct and indirect benefits from being in the service district boundary are sufficient to warrant inclusion even when acknowledging no specific plans for service to the area. Indirect and long-term benefits tend to be difficult to gauge and are vulnerable to political challenge. As part of an annexation procedure, this question would fall to the Eagle Point City Council. As one element in a larger Change of Organization procedure, this political question is one that would be expected to become prominent in the debate about the merits of the larger Change of Organization proposal.

2.2.2. Fiscal

From RVTB's perspective, there is no discreet fiscal downside because without the expansion of immediate services there would be no obligation to provide service now or in the future until revenues reach a level that planned services can be added without diminishing any services elsewhere in the service area.

2.2.3. Regulatory

Inclusion simply for the purposes of planning services has a higher degree of regulatory vulnerability, whether it is done as an annexation or through a change of organization. Inclusion in a special service district necessarily implies access to and provision of services in relatively concrete ways and the enabling statutes reflect this common-sense implication. While indirect and long-term planned services are not categorically prohibited as a basis for inclusion, this approach is not immune to regulatory challenge. The better the district quantifies the benefits, the lower the regulatory risk.

2.2.4. Long-Range Plan Implications

Inclusion of Eagle Point in the RVTB boundary to allow long-range service planning would require many aspects of the long-range plan to be revisited for re-prioritization.

2.3. Inclusion with Programmed Service

2.3.1. Socio-Political

The socio-political dynamics of this type of proposal would depend a great deal on whether the proposal is part of a deferred annexation (discussed below) or an element in a larger Change of Organization procedure.

As part of a deferred annexation process, the fundamentals of the service agreements could be negotiated in advance of the annexation review process and could be followed by service programming during the deferment period. This would allow the annexation process itself to receive testimony, hear issues and develop strategies that could be built into the service programming. This would provide a forum for open debate and provide opportunities for Eagle Point and RVTB to build a relationship in a manner that is sensitive to the needs of the community. Programmed service would vary according to the timing of the annexation and the taxation rates applicable at the time the annexation would occur. If taxation is at current rates, the deferment period would provide time for RVTB to deal with the socio-political issues that may arise when some service levels may diminish in favor of expanded service to the Eagle Point geography.

As one element in a larger Change of Organization procedure, socio-political issues may be more difficult to predict. Questions would be expected to arise regarding programmed service delivery as contemplated in the proposal. Even the best fiscal planning requires assumptions that are subject to challenge and programming service requires assumptions further in the future than when planning for immediate service delivery. The more distant the assumptions are in the future, the more subject they are to challenges in the future.

2.3.2. Fiscal

The level of programmed service in Eagle Point would be affected by the degree of changes to service elsewhere in the district, district tax rate changes, and timing for services to begin. The service programming would make assumptions about the taxing rate and timing about the service initiation for programming purposes. The higher the tax rate and further in the future the service would begin, the higher the level of service that could be programmed without disruption to existing services elsewhere in the district.

Eagle Point requires a new service extension; therefore, programmed services must also make assumptions about future costs, which can be difficult to predict beyond a few years. However, the analysis in Tech Memo 6.0 & 6.5 estimates that even under a high cost scenario the levels of service contemplated in the RVTB Long Range Plan (Existing Level of Service + Extended Hours + Saturday Service) could be attained with existing revenue

source rates by 2024. Thus, relatively small any changes in district-wide tax rates would not be expected to demand marginally more level of service expenses and revenues for Eagle Point than would be demanded elsewhere in the District. In other words, providing the higher levels of service contemplated in the RVTD Long-Range plan will not be any more challenging or expensive in Eagle Point than one would expect for the rest of the district.

2.3.3. Regulatory/Procedural

There are no categorical regulatory barriers to either an annexation or a Change of Organization procedure where the proposal includes some reasonable specificity on the programming of service for the area of Eagle Point to be added. This could be as simple as a statement that at least Highway 62 in Eagle Point will be programmed for fixed route transit service beginning not later than 2015.

Programming service is well suited to the deferred annexation process. Once the deferred annexation point is known, this assumption can be incorporated into the fiscal planning. Once the annexation is approved, the detailed service programming can be begin, but this cost and effort is more justifiable where the regulatory outcome is determined prior to undertaking this type of technical work. This provides time for precise route planning and may provide a good format to obtain grants for capital expenditures necessary to support service expansions.

2.3.4. Long-Range Plan Implications

The RVTD Long-Range Plan does not account for the inclusion of Eagle Point in any concrete terms. If Eagle Point were to be included with programmed service delivery then changes to the long range plan would need to be made as part of the service programming process.

3. WEST WHITE CITY INCLUSION FACTORS

This area is depicted on Atlas Maps 10, 11 and 13 and is located west of Table Rock Road within the Urban Unincorporated Community Boundary of White City. The land is predominantly designated General Industrial and already includes a few large employers. There is still significant vacant and available industrial lands that may result in additional employment over time.

3.1. Inclusion with Immediate Service

3.1.1. Socio-Political

The socio-political implication of adding the portion of White City west of Table Rock Road is dependent in large part on whether those few property owners believe they would see a benefit from a business standpoint. One would expect that immediate service delivery would weigh heavily on the calculus of those establishments and that many would find the service a net benefit, whether the proposal was through annexation or as an element in a Change of Organization procedure.

3.1.2. Fiscal

Inclusion of these lands with immediate service delivery is dependent on the extension of service in the industrial portion of White City that is already located within the RVTD boundary and where service expansion is identified as a Tier 1 priority in RVTD's long range plan. Until that service comes into existence, the inclusion of the area of White City west of Table Rock Road cannot be considered in isolation; incremental revenue associated with these lands is not likely to be significant when compared to the aggregate cost of the total service in all of the industrial area of White City.

Once the RVTD Long Range Plan Tier 1 service for the industrial area that is already within the RVTD boundary east of Table Rock Road comes into existence, then the marginal cost of serving the lands depicted in Atlas Map 13 is small because the necessary additional route length is small in comparison to the value and level of patronage that can reasonably be expected in that area. Tech Memo 6.0 & 6.5 show that total revenues are expected to

be somewhat more (~\$14,000) than the costs of service at the existing level of service provided elsewhere in the district.

3.1.3. Regulatory/Procedural

If service will be immediately extended, there are no obvious regulatory barriers to annexation or a Change of Organization.

3.1.4. Long-Range Plan Implications

Portions of the White City industrial area east of Table Rock Road are already a Tier 1 service area in the long-range plan. Therefore, when that service can feasibly be provided, only a minor amendment would be appropriate to recognize the small expanded service area west of Table Rock Road.

3.2. Inclusion for Long-Range Service Planning

3.2.1. Socio-Political

The socio-political implication of adding the portion of White City west of Table Rock Road is largely dependent on whether those few property owners believe they would see a benefit from a business standpoint. This area is already positioned as a top priority for service in the existing long-range plan, so a proposal to expand this planning to include this area appears a logical planning exercise. However, with the large funding gap, one would reasonably expect that planned service would not be delivered for a very long time under current tax rates. One would expect that indeterminate service delivery would weigh heavily on the calculus of those establishments and that many would find inclusion with little guarantee of service to be undesirable.

If inclusion were part of a Change of Organization procedure with no plans for service programming, the proposal would likely face significant challenge. Yet challenges diminish where the long range plan places priority on service when revenue is available. Then service would remain "planned" but not delivered.

3.2.2. Fiscal

From RVTD's perspective, there is no discreet fiscal downside. This is because without the expansion of immediate services, there would be no obligation to provide service now or in the future until revenues reach a level that planned services can be added without diminishing services elsewhere.

3.2.3. Regulatory/Procedural

Inclusion simply for the purposes of planning services has a higher degree of regulatory vulnerability, whether it is done as an annexation or through a Change of Organization. Inclusion in a special service district necessarily implies access to and provision of services in relatively concrete ways and the enabling statutes reflect this common-sense implication. While indirect and long-term planned services are not categorically prohibited as a basis for inclusion, this approach is not immune to or insulated from regulatory challenge. This vulnerability is made more acute in this area where the marginal cost to provide service is generally low and where there is a long history of collecting substantial property taxes without delivery of direct services.

3.2.4. Long-Range Plan Implications

Inclusion of this area would require only minor amendments to the long range plan. The cost of serving this small area could be added with the rest of the White City industrial area already planned for Tier 1 service expansion with programmed services.

3.2.5. Socio-Political

Programming services probably do not make sense until the Tier 1 planned service in west White City is operational. Once that service is operational, then service programming would be relatively straightforward. Again, the socio-political implication of adding the

portion of White City west of Table Rock Road is largely dependent on whether those few property owners believe they would see a benefit from a business standpoint.

3.2.6. Fiscal

Inclusion of these lands with immediate service delivery is dependent on the extension of service in the industrial portion of White City that is already located within the RVTD boundary and where service expansion is identified as a Tier 1 priority in RVTD's long range plan. Until that service comes into existence, the inclusion of the area of White City west of Table Rock Road cannot be considered in isolation; incremental revenue associated with the these lands is not likely to be significant when compared to the aggregate cost of the total service in all of the industrial area of White City.

Once the Tier 1 service for the industrial area that is already within the RVTD boundary east of Table Rock Road comes into existence, then the marginal cost of serving the lands depicted in Atlas Map 13 is small because the necessary additional route length is small in comparison to the value and level of patronage that can reasonably be expected in that area. Tech Memo 6.0 & 6.5 show that total revenues are expected to be somewhat more (~\$14,000) than the costs of service at the existing level of service provided elsewhere in the district.

3.2.7. Regulatory

There were no apparent acute or unique regulatory barriers to including this area either through annexation or a Change of Organization where service delivery will be programmed through the process.

3.2.8. Long-Range Plan Implications

Because the White City industrial area is already a Tier 1 service area in the long-range plan, only a minor amendment would be appropriate when that service can feasibly be provided, to recognize the small expanded service area west of Table Rock Road. The White City Industrial area east of Table Rock Road is an area where a new fixed-route service line is currently being programmed. The more detailed process of programming of service in this area will be affected by the inclusion or exclusion of the area west of Table Rock Road. The long-range planning and system programming for this area can be simplified if this boundary discussion is settled in the early stages of service programming for the area.

4. TOLO AREA

This area is situated northwest of the City of Central Point and is depicted on Atlas Maps 10, 11 and 14. The initial analysis had two potential alternatives for inclusion. One was broader and included substantial rural areas in addition to the areas identified as Urban Reserves by Central Point as depicted in Atlas Map 14. The advantage of the broader analysis was the connection of areas north of Central Point and west of White City within the boundary. The other alternative for inclusion was narrowly-focused and had the advantage of targeting lands most appropriate for urban service levels. In the end, the choice between analysis areas was a policy preference. It was not expected to make a significant fiscal difference. The final analysis consolidated the two alternatives because geography did not affect most of the relevant factors.

4.1. Inclusion with Immediate Service

4.1.1. Socio-Political

This is a difficult area to predict the political support for inclusion. Immediate demand for service is expected to be low and so it may be viewed as a significant benefit for the dollar spent by those being taxed. Or it may be viewed as a waste of resources to have such a small tax base support such an expensive service.

4.1.2. Fiscal

Based upon the fiscal analysis in Tech Memo #6.0&6.5, it appears the cost of service to this area would far outweigh the short-term revenue increases. Significant subsidy from other areas would be required for even minimal service levels.

4.1.3. Regulatory/Procedural

There are no obvious regulatory or procedural barriers to inclusion either through annexation or through Change of Organization.

4.1.4. Long-Range Plan Implications

The long range plan does not contemplate service to this area and inclusion with immediate service delivery would be expensive and would require large subsidy from other areas already inside the district. This would require changes to both short-term operations and long-range service planning.

4.2. Inclusion for Long-Range Service Planning

4.2.1. Socio-Political

Typically, those who are taxed for services but do not receive relatively direct benefits from those services tend to resist proposals where they might subsidize service in other areas. However, indirect benefits to the transportation system represent potentially acute benefits to the particular segment of businesses located in this area. Most of the landowners and businesses are aggregate businesses with construction divisions. If service subsidy supported new construction in those other areas, it could be a net benefit to Tolo aggregate companies, even after the service taxes. This is a difficult thing to know with certainty, but conversations with those business owners might yield more positive results. Eventually, the aggregate businesses may support a proposal for inclusion in the district boundary without plans for immediate or programmed service.

Inclusion through deferred annexation could give the district 10 years to plan for future service. If it was done in the near term, questions would likely arise as to whether the area will have sufficient demand and tax base in 10 years to warrant inclusion and benefit from services. However, deferred annexation could be undertaken at any time in future (unless the laws were to be changed in a manner that prohibited the practice). At such time as growth in the Tolo area really begins to increase and significant demand is expected to develop over a 10-year window, a deferred annexation would present a strategy that would provide area businesses time to plan for taxation increases as well as the benefits of service delivery. It is difficult to predict social and political dynamics of this type of proposal so far in advance with so many variables that may change between now and then.

4.2.2. Fiscal

There would be no adverse fiscal consequences to RVTB for including the area within the district and planning for service when development in the area yields sufficient tax base and demand for service. In the interim, it would be a condition of effective of subsidy for service in other areas.

4.2.3. Regulatory

Inclusion simply for the purposes of planning services has a higher degree of regulatory vulnerability, whether it is done as annexation or Change of Organization. Inclusion in a special service district necessarily implies access to and provision of services in relatively concrete ways. The enabling statutes reflect this common-sense implication. While indirect and long-term planned services are not categorically prohibited as a basis for inclusion, this approach is not immune to or insulated from regulatory challenge.

4.2.4. Long-Range Plan Implications

Changes to the long range plan would be needed because service in this area should be weighed against priorities for new or increased service levels in areas already served.

4.3. Inclusion with Programmed Services

4.3.1. Socio-Political

Development of the tax base and growth in demand will not likely alter conditions in a meaningful way in the next 2 to 4 years. Including Tolo in the district and then programming services would just defer the issues confronted by immediate service delivery in the same amount of time, 2 to 4 years. This reality would raise questions of intent and ultimate objectives where the obvious issues are being ignored.

4.3.2. Fiscal

Development of the tax base and growth in demand will not likely alter conditions in a meaningful way in the next 2 to 4 years, so the fiscal problems described above will not change and would just be deferred for that same period.

4.3.3. Regulatory/Procedural

There are no known obvious regulatory barriers to inclusion and programming of services either through annexation or through Change of Organization. However, because of some of the cost/benefit issues associated with service in the next 2 to 4 years, there is the possibility that issues of feasibility may be raised for service to this area.

4.3.4. Long-Range Plan Implications

Changes to the long range plan would be needed because service in this area should be weighed against priorities for new service in other areas and increased service level in areas already served.

5. OTHER LOCALIZED AREAS

5.1. Southeast Ashland UGB

This is a small area that primarily includes the golf-course and a small amount of residential lands, see Atlas Maps 10, 11 and 16. The area is currently served by fixed route transit that is within half a mile. It is in a location where RVTD is required to provide para-transit services. The area could be added through annexation or as part of a more comprehensive Change of Organization.

5.2. North Central Point Urban Reserve Area

These areas are commonly referred to in the RPS plan as CP-2B and CP-1C, see Atlas Maps 10, 11 and 15. The area also includes a small, developed area of residential land within the City of Central Point. These are areas that could be included as part of a broad inclusion of the entire Tolo area. However, if that is not a policy choice desired by the RVTD Board and ultimately the voters, another option would be to annex the area. The timing of this annexation could relate to future UGB expansion into this area. Once the long range plan Tier 3 Table Rock Road route is added, this area is served to a significant extent by existing fixed routes and most of the area would be subject to mandatory para-transit services. If transit district inclusion for this area is supported by the Urban Reserve Management Agreement and/or Urban Growth Management Agreement between the city and county then it would appear future annexation to RVTD would be a relatively straightforward matter.

5.3. West Forest-Gibbon Acres

This area is shown on Atlas Map 13, west of Table Rock Road within approximately ¾ of a mile. This is an area that could be included as part of a broad inclusion of the entire Tolo area. However, if that is not a policy choice that is desired by the RVTD Board and ultimately the voters then another option would be to annex this area independently. Once the Long-Range Plan Tier 3 Table Rock Road route is added then this area is served to a significant extent by existing fixed routes and most of the area would be subject to mandatory para-transit services. It would seem most logical to evaluate annexation once

the Table Rock Road route is operational and then keep track of the number of para-transit trips that are being provided to that area. If there are a significant number of para-transit trips then it is probably worth the effort and would provide a good basis for inclusion. If there are few para-transit services being demanded then it may not be worth the effort of annexation.

6. CHANGE OF ORGANIZATION WITH BOUNDARY CHANGES

With respect to the boundary alternatives described above, the RVTB Board is confronted with two basic policy questions, as follows:

1. Does RVTB want to make any boundary changes at all in the near future?

The technical work underpinning this project suggests that there are several boundary change alternatives that appear to make sense on their face. There are many others that may make sense if they are coupled with other policy choices related to funding changes and/or reevaluation of long range service priorities. In the end, however, this policy choice must first be reached before the subsequent ones can be thoughtfully considered.

2. If RVTB wants to make boundary changes then the next fundamental question is whether RVTB wants to roll the boundary changes into a larger Change of Organization procedure or amend the boundaries incrementally through annexation?

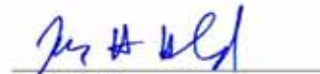
The answer to this second question has significant consequences regarding options available to RVTB for boundary changes. Without a Change of Organization procedure, then RVTB cannot change its permanent ad-valorem (property) tax rate. As such, the payroll tax concept would appear to be the only means of generating significant additional local tax revenues for operations that do not derive from growth. The decision to pursue a Change of Organization procedure begins with the RVTB Board but the ultimate decision resides with the voters. In contemplating this choice it is important to note that failure of a proposal for Change of Organization at the ballot box does not preclude subsequent decisions to annex some or all of the individual areas analyzed in this memo over time.

Once the decision to undertake the Change of Organization procedure is made, then marginal additional cost and effort associated with the boundary changes discussed in this memo are expected to be small. The major boundary policy choice that is of technical concern is the inclusion of the Tolo geography. The funding analysis in Tech Memo 6 indicates that even a small increase in the property tax rate (or a small payroll tax or a combination of both) as part of a Change of Organization procedure would be sufficient to at least program a minimum level of service to all the other areas evaluated for inclusion. If the change of organization includes even a small tax rate increase, then the areas other than Tolo and the removal of rural lands appears to be a matter of policy and preference of the RVTB Board.

7. AREA BY AREA ANNEXATIONS

The other option available to RVTB to include lands evaluated in this memo is through annexation. RVTB has not conducted an annexation in many years. For this reason, it may make sense to conduct the first annexation where there is a high likelihood of success. For example, the potential inclusion area in the southeast Ashland UGB may make sense. If preliminary discussions with the City of Ashland indicate support for the annexation then this would appear to be a good location for RVTB to undertake the process and become more familiar with the annexation procedures.

CSA Planning, Ltd.



Jay Harland
Principal

5.2.8 Technical Memo #8



Technical Memorandum #8

To: Rogue Valley Transportation District
Date: March 7, 2011
Subject: Boundary Expansion Timeframes (Phasing)

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1. FINAL BOUNDARY CRITERIA SUMMARY

This initial section of Tech Memo #8 summarizes the "Final Boundary Criteria", which is just a formal title for the components that ought to be considered for inclusion from a transit planning perspective.

1.1. Projected Cost Effectiveness Near-Term (Now to 10 Years)

Near-Term Cost Effectiveness is a criterion that relates inclusion of an area to its revenues and does a rough comparison of cost effectiveness of transit service to the area based upon near-term revenue streams and near term expenses (for various levels of service). The assessment under this criterion is based upon the analysis in Tech Memo 6.0&6.5.

1.2. Projected Cost Effectiveness Over Time (10+ Years)

Cost-effectiveness over time relates to how changing dynamics of revenues and services may affect the appropriateness for including a particular area in RVTB. This criterion is an assessment of general appropriateness in relation to expected long-term trends. Beyond 10 years, there are number of circumstances and underlying assumptions that may change that cannot be anticipated. However, strategic decision making should always consider the extent to which future scenarios are consistent with expected long-term trends. The assessment under this criterion is based upon the analysis in Tech Memo 6.0&6.5.

1.3. Integration with Existing Services

This criterion is a general assessment of the ability for an RVTB area to be integrated to the existing district boundary and general measure of its ability to be integrated with additional services. The assessment under this criterion is based upon analysis in Tech Memos 1, 3, 4, 5, 6.0 and 6.5 and 7.

1.4. Integration with Planned Service Improvements

This criterion is a general assessment of the ability for an RVTB area to be integrated with other services that RVTB is planning in their long-range plan; examples include both increases to the level of service (this can be thought of as the intensity of service on existing routes) and geographic extensions of service depicted in the long-range plan. The assessment under this criterion is based upon analysis in Tech Memos 1, 3, 4, 5, 6.0 and 6.5 and 7.

1.5. Consistency with City-County Urbanization Planning

RVTB provides urban transit services and so its boundary should be responsive to urbanization land use planning that is done by the Cities and Jackson County. This criterion is a measure of the degree to which a particular area is appropriate for urban transit services when considered from the perspective of local government urbanization planning. The assessment under this criterion is based upon analysis in Tech Memos 1, 3, 4, 5, 6.0 and 6.5 and 7.

2. RVTD INCLUSION NEXT 10 YEARS (PHASE 1)

These are the areas that appear appropriate for inclusion within RVTD in the next 10 years. The analysis in the RVTD Boundary Analysis project sets forth broad comparisons and determination of feasibility. Identification of these lands through this broad assessment is not the end of the process, but rather recognition that a more detailed service planning analysis is the next appropriate step. Detailed service planning involves more precise route planning, level of service planning, transfer station design and locations, detailed planning to integrate the area with existing services, and similar transit planning. Atlas Map 10 depicts all the areas described in this memo.

2.1. Eagle Point (Atlas Map 12)

Eagle Point appears to be an area where transit service could be provided on a cost-effective basis in the near-term; it is estimated that direct property tax revenues would be ~\$90,000 and total revenues would be ~\$255,000 and cost of extension at existing service levels would be ~\$142,000. With the planned growth in Eagle Point, it is expected that RVTD service would become more cost-effective over time and higher service levels could be achieved consistent with the timing contemplated for increased services levels elsewhere in the existing District under the RVTD Long-Range Plan.

There are some challenges with integrating service in Eagle Point to existing services because it is somewhat removed from the nearest service point (the VA Domiciliary in White City). There are some challenges with integrating the Eagle Point service with planned service improvements, because expensive level of service improvements will then be applied to larger geography. There is significant growth planned for Eagle Point and transit service to this City would be consistent in all ways with the urbanization plans of Jackson County generally and Eagle Point specifically. Tech Memos 2 and 7 include detailed analysis of potential inclusion procedures.

2.2. Western White City Expansion Area (Atlas Map 13)

The western most edge of White City is the only significant area where there is existing employment that is outside the district boundary. The entire White City industrial area is a large employment area that does not have service and is the only large existing employment center that is without service. This area appears to be cost-effective in the near term if it functions as an extension of the planned Tier 1 service extension into the rest of the industrial area of White City. This area is expected to remain relatively cost-effective over time. This area is not easily integrated with existing services, because the service to the rest of White City is not operating. This area is easily integrated with the long-range transit planning for the area, which is to extend the Tier 1 planned service for western White City to this area. This area is within the Urban Unincorporated Community Boundary of White City now and transit service extension would be consistent with the adopted and acknowledged Community Plan for the area. Tech Memos 2 and 7 include detailed analysis of potential inclusion procedures.

2.3. South Ashland (Atlas Map 16)

This area did not undergo cost effectiveness analysis as the area is very small and the revenues versus service cost differentials would be expected to be much smaller a typical variance between actual and budgeted expenses in any given year. Thus, cost effectiveness would not be material to the decision making process. The lands are very near an existing service route and could be easily integrated with existing service. This expansion would present no conflicts with the existing long-range transit plan for the area. The lands are within an Urban Growth Boundary and most are located within a City; transit service to the area is consistent with urbanization planning for the area. Tech Memos 2 and 7 include detailed analysis of potential inclusion procedures.

3. RVTD INCLUSION 10-20 YEARS (PHASE 2)

These are the areas that appear appropriate for inclusion within RVTD in the 10-20 year timeframe. There is only one set of lands that fell into this category.

3.1. Central Point Urban Reserve Areas (Atlas Map 15)

Central Point has proposed several Urban Reserve Areas in the Regional Problem Solving Process that are outside the RVTD boundary. These areas will support urban development over time. Portions of these areas may be cost effective to serve in the near-term and some may not be cost-effective for many years. Portions of these areas may be relatively easily to integrate with existing service and others may be integrated with planned service expansions in the RVTD long-range plan. This area is appropriate for inclusion because of its urbanizing character and the appropriateness of having the entire City of Central Point within the RVTD District boundary.

The methods for dealing with these areas are a matter of establishing annexation requirements that are coordinated with the City of Central Point and require RVTD annexation submittal as part of City Annexation requests.

4. RVTD INCLUSION 20 YEARS OR MORE (Phase 3)

This section presents those areas that may be appropriate for inclusion, but the lands have challenges or issues that appear inappropriate for inclusion in the Phase 1-2 time periods (0-20 years) within the near or medium terms. These areas should be reconsidered in approximately 15 years to determine if an inclusion feasibility analysis is then appropriate.

4.1. Tolo (Atlas Map 14)

The proposed Tolo industrial area in the Regional Problem Solving Plan is not cost-effective to serve with transit in either the near or medium term (revenues are approximately one quarter of service costs at existing service levels). This area is not easily integrated with existing service or planned transit service improvements in the RVTD long-range plan. Transit service would be consistent with urbanization planning currently under review with Jackson County, but alternative strategies (non-fixed route RVTD service) may be appropriate strategies for the next 20 years.

5. INTERNAL BOUNDARY CHANGES (Differential Tax Zone)

All analysis in previous sections of this Tech Memo focused on the question of adding particular areas and when the changes to the external boundary of RVTD may make sense. However, the analysis in Tech Memo #2 identified another significant boundary change that could be created through a change of organization procedure. This boundary change would be internal to the existing RVTD district boundary that would create two separate property taxing zones. A higher property tax rate would be charged to the areas that receive the highest levels of transit service and the balance of the district would have a lower rate, such as a continuation of the existing \$0.1772 per thousand of assessed value.

The fiscal implications of this concept were explored preliminarily in Tech Memo #6.0&6.5. This would be one method of generating some of the additional revenue to support extended hours of service, increased frequency of service, and Saturday service. Like that contemplated in RVTD's long range plan. If RVTD is moves forward with a tax increase proposal to support higher service levels, then the differential taxing zones is one option that should be examined.

The differential taxing zones approach has its own benefits and challenges. The benefits of this approach are that higher tax rates are applied to lands that experience the most direct and highest services from RVTD. Initially, the taxing zones were contemplated as being determined based upon a certain distance from each route. This presents a challenge because routes are occasionally moved. It is recommended that an alternative approach be considered that would identify "primary service corridors" that are not tied directly to routes but include those lands with the highest intensity of urban lands uses and where

transit service needs are expected to be greatest over time. Identification of primary service corridors could also relate to the "trunk line" designations required by FTA. The primary service corridor concept significantly improves flexibility for individual route changes without inducing a complicated procedure to change properties from one tax zone to another.

However, there may still be instances where changes to the tax zone locations may be necessary. For example, if an area is requesting higher service levels and wishes to be added to the higher tax zones to support that service. The challenge is that it is not clear from the law whether a change of organization is required (a more complex process) or whether it would be possible to annex those additional lands into the higher tax rate zone. This important legal question should be answered to the extent practical before the major policy decision to implement differential tax zones is ultimately made.

Even with the "primary service corridor" concept, there is still the challenge of precisely mapping and agreeing upon these areas as part of a change of organization proposal. This is a fairly significant planning task unto itself. This work is not recommended until the general policy choice is made that differential taxation is the preferred method to raise additional funds.

CSA Planning, Ltd.



Jay Harland
Principal

cc. File

5.2.9 Technical Memo #9



Technical Memorandum #9

To: Rogue Valley Transportation District
Date: January 24, 2011
Subject: Improvements to Street, Bicycle and Pedestrian Facilities

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1. INTRODUCTION

This memo evaluates the condition of the transportation system from a transit service perspective. It looks at how planned transportation improvements and existing conditions constraints may affect transit services in the areas identified for potential RVTB boundary changes in Technical Memos 6, 7 and 8. For this reason, this memo organizes the data and information geographically according to areas where boundary changes may occur as a result of policy choices from the technical work presented in this project.

- a) The Tech Memo Atlas Map 13 West White City Study Area
- b) Atlas Map 14 Tolo Study Area including West Forest-Gibbon Acres and North Central Point Urban Reserve.
- c) Atlas Map 16 Southeast Ashland Study Area.
- d) Attachment A City of Eagle Point Transportation System Plan Functional Class Map with References.
- e) Attachment B Wilson Road Flexible Road Standard Concept Drawings.

This analysis is supported by and relates to Atlas Maps 12-17 and Attachments A and B:

2. POTENTIAL BOUNDARY CHANGE AREAS

2.1. Eagle Point

The City of Eagle Point is by far the most complex from a transportation facility evaluation standpoint. It is an entire city and there are many choices and opportunities for facilities that would support efficient transit service. The sheer number of potential route scenarios, level of service scenarios and facility conditions assessments is beyond the comprehensive scope of this memo. However, the City of Eagle Point recently adopted a new TSP that addresses many of these challenges. This memo provides a review of the new TSP and offers comments, suggestions and highlights that may benefit the implementation and execution of the Eagle Point TSP as it relates to facilities for transit.

Generally, the TSP appears to be a well-constructed document based upon sound transportation planning techniques and analysis. The work was performed by DKS Associates.

2.1.1. State Highways

The new TSP generally relies upon and recognizes the value of Highway 62 for transportation in Eagle Point. Neither the Goals and Policies section of the TSP nor the Transit Section include specific provisions that relate to changes to the Highway or functional implications on the Highway in the event transit service is added on the Highway. The TSP identifies as a high priority the need for \$100,000 worth of transit planning for Eagle Point. This type of planning would typically include detailed route planning. If preferred routes were to include Highway 62 through the City, then the City, ODOT and RVTB would need to work together on specific design elements and facility treatments where transit stops might be located on Highway 62.

2.1.2. Local Street Connectivity/Routing

The TSP correctly identifies some of the inherent transportation planning issues confronted by Eagle Point. Connectivity is challenged by the environmental constraints of Little Butte Creek and the physical development of the Eagle Point Golf Course. Right now, there are limited collectors tying neighborhoods to arterials. The new TSP proposes several key street connections that would be expected to markedly improve collector connectivity. These connections would enhance routing choices and options for transit service expansion planning for Eagle Point.

While planning these connections is important for long-term service expansion, the existing system will have to be used for near-term route planning. This limits potential route choices. However, there is still adequate connectivity that would appear capable of supporting transit routing.

The TSP includes GIS analysis of transportation disadvantaged households and other data sets that would be valuable to transit.

2.1.3. Bicycle and Pedestrian Facilities

The new TSP includes an extensive set of proposed upgrades to bicycle and pedestrian facilities. The challenge faced by the City at this point is prioritizing this long list of projects. Generally, access to transit is a major factor in prioritizing bicycle and pedestrian facility improvements. The TSP includes some project prioritization, but it could not account for transit service proximity or specific stop locations because no fixed route transit exists in the City. Nevertheless, the TSP does an excellent job of describing existing bicycle and pedestrian conditions. This inventory creates considerable value and will make it easier to consider existing facility adequacy during the route planning process.

2.1.4. Major Transit Stops

Depending on the more detailed route analysis, there are many good locations for major transit stops. The new TSP does a good job of inventorying and identifying the major factors that need to be considered and balanced when selecting locations for major transit stops. The detailed route planning process will evaluate major stops designed to serve downtown, concentrations of transportation disadvantaged households mapped in the TSP and concentrations of commercial uses along Highway 62. The TSP identifies the need for \$100,000 in transit planning and some of this would focus on major stop planning.

There is an important Federal Funding opportunity to keep in mind with regard to planning and creating service in Eagle Point. This service would be an excellent candidate for the "small starts program." This flexible program could be used for a number of physical and capital improvements in support of the expanded transit service. Examples can include real estate acquisition and improvement at major stops, infrastructure improvements to serve major stops and public-private partnerships for commercial development at major transit stops. Once the transit planning process is underway, the planning schedule should include periodic review of the needs and priorities for the new service against the "small starts program" opportunities to make maximum use of Federal Transit Administration funding leverage.

2.2. West White City

As discussed in prior Tech Memos, the West White City district boundary expansion area is predicated on the delivery of RVTD Long Range Tier 1 planned service to the White City Industrial area not currently served.

2.2.1. State Highways

Kirtland Road-Avenue G is in the process of becoming a State Highway. The jurisdictional exchange has been signed by both ODOT and Jackson County, but not all segments of the roadway have actually been transferred pursuant to conditions and requirements of the agreement. Kirtland Road will ultimately become an extension of Highway 140. This presents a challenge to balance high speed - higher order roads with transit service. In its current state, the new Highway 140 has a good paved surface and wide shoulders (~6').

Currently, the only planned connection or improvement is a realignment of the new Highway 140 at Pacific Avenue. The existing shoulders on the new Highway 140 are expected to be adequate for bicycle and pedestrian east-west usage on the new Highway 140 to the location of any planned bus stops.

AASHTO publications have design guidelines that can be followed to balance through-put traffic volumes and speeds against pedestrian and bicycle safety and convenience for roadways of this type. As part of the detailed route planning process, there may be options to keep stops on the local street system by utilizing a combination of Pacific Avenue, Trout Way/Western Street, Table Rock Road, and West Antelope Road. This would have the advantage of avoiding the higher volumes and higher speeds on the ODOT facility and is an issue for exploring at the detail route planning stage.

2.2.2. Local Street Connectivity/Routing

From a connectivity standpoint, the local streets appear well configured for the land uses east of Whetstone Creek. The land uses are large-scale industrial uses and thus result in large concentrations of potential transit users at a particular location. These land uses do not require a densely gridded street pattern for appropriate transit service.

However, there is a connectivity issue west of Whetstone Creek on land currently owned by the City of Medford. Some of this land is potentially developable industrial land (although much of it is constrained by vernal pools and is not developable). It is recommended that RVTD work with the City and Jackson County when and if any actual development is proposed for this area to evaluate local street connectivity for transit provision purposes.

2.2.3. Bicycle and Pedestrian Facilities

All the major roadways in the area either have wide paved shoulders or sidewalks. These are expected to be adequate for purposes of bicycle and pedestrian access up and down the roadways to and from potential transit stops.

One potential solution to the connectivity issue across Whetstone Creek would be a bike-ped crossing that would connect to a transit stop on West Antelope Road.

2.2.4. Major Transit Stops

This area does not require a high density of transit stops because of the large scale industrial land use patterns. It appears feasible to plan a few major stops in key locations in close proximity for serving existing and future employment.

2.3. Tolo Area

2.3.1. State Highways

Tolo contains three State Highways. The highways converge where the new Highway 140 and Highway 99 intersect at the Seven Oaks Interchange on Interstate 5 (Exit 35). Major near-term improvements have already been made with the modernization of the new Highway 140 and Blackwell Road intersection and with the reconstruction of the Exit 35 Interchange.

Highways in the area generally have wide shoulders that could allow for access to transit stops along the highways if service were extended.

2.3.2. Local Street Connectivity/Routing

The local street network is essentially non-existent; the only local street in the area is Jackson County's Blackwell Road. A draft Interchange Area Management Plan for the Exit 35 Interchange has done some preliminary local street network planning around the interchange, but this plan has not yet been adopted.

Currently, this area is under consideration in the process of designating Urban Reserve lands. When and if that ultimately happens, the long-term urban infrastructure planning could commence. More detailed local street planning would occur as part of that process. However, the Urban Reserve configuration would severely limit new external urban connections outside the Urban Reserve to other local street networks because of environmental constraints (Bear Creek) and regulatory restrictions due to the concentration of intervening high value farmland.

2.3.3. Bicycle and Pedestrian Facilities

The major roadways generally have wide shoulders (5'-6') that can be expected to provide minimal but adequate facilities for bicyclists and pedestrians using the roadways to access future bus stops.

The Bear Creek Greenway is another major planned bicycle and pedestrian facility. The Tolo area is the last major missing link connecting the Rogue River Greenway and Bear Creek Greenway. If transit was available and the link between the greenways established, the Tolo/Seven Oaks Interchange area would be a logical location for a transit-greenway connection. This is a decidedly big set of "ifs" worth noting and exploring as planning for this area proceeds.

2.3.4. Major Transit Stops

If Tolo were added to the district and fixed route transit delivered, it would be in the far northwestern corner and well situated for a regional van-pool park-and-ride. Van-pools from Grants Pass, Rogue River and Gold Hill could park at that location and take the fixed route service to their destination. This feature would make sense to incorporate into one of the stops.

The challenge for stops in this area would be conflicts with trucks generated from industrial land uses, bike-ped trips that must necessarily go along with transit and disruptions to truck traffic flow by buses. Ideally, bus stops and traffic would be integrated with local industrial street network development so that bus service would have minimal impact on freight mobility. There are so many unknowns with respect to future land uses in this area that precise planning or recommendations are not really practical at this stage. Nevertheless, identifying the opportunities and the challenges is important so that future planning work has a place to begin.

2.4. Other Localized Areas

2.4.1. Southeast Ashland UGB

This small area inside the Ashland UGB is developed with single family dwellings and a municipal golf course. Right now there is connectivity through the residential area and golf course, although these lower-order residential streets would make transit service that traverses the area somewhat awkward. However, they are reasonably well configured for bike-ped connectivity to any routes/stops located on Old Highway 99/Highway 66.

Opportunities to retrofit transit appropriate connections that would traverse the area would likely come as a result of any decision to redevelop the golf course. This is something that has been discussed in Ashland over the last few years. Upon annexation of the area, redevelopment of the golf-course could include a loop with a transit-friendly design and major transit stop that would make this area easy to serve and well configured for transit.

2.4.2. North Central Point Urban Reserve Areas

The current route serving Central Point connects most of the City east of Highway 99 and west of I-5 with regional facilities. This includes most of the employment / downtown area and many residential neighborhoods. There is one small Urban Reserve area immediately north of Scenic Avenue between Highway 99 and Interstate 5. The other growth area is much larger and located between Upton Road/Wilson Road south to the existing city limits.

The small area along Scenic Avenue does not appear to be a major issue from a transportation facilities standpoint. The south side of Scenic Avenue has sidewalks and it is expected that sidewalks would be added to the north side as those lands are urbanized. There is a grid street pattern on the south side of Scenic Avenue and it is expected that this pattern would be extended on the north side of Scenic Avenue. The main issue would be planning a major transit stop near Highway 99. It may make sense to have a transit stop that is near Highway 99 but would not affect the intersection of Scenic Avenue and Highway 99 when and if signalization occurs as a result of increased traffic from development of the area.

The proposed Urban Reserve in East Central Point (portion east of I-5) is more challenging from a facilities standpoint. This area of Central Point has only two connections to core Central Point, being East Pine Street and Upton Road. Table Rock road is the north/south connection. Upton Road and Wilson Road are the main roads that will serve this area. These are rural roads without sidewalks. This is an area where block-by-block, development-funded road improvements will result in a disconnected urban facility system that would be difficult to serve with transit without a comprehensive approach. Also, once these lands are annexed to the City, then Jackson County will want to complete a jurisdictional exchange of these roadways. There are no immediate plans for fixed-route transit to this area. Therefore, exactions or improvements that would provide bus stops/pull-outs would be difficult to insert into the jurisdictional exchange and improvement agreements.

While Upton Road and Wilson Road are both rural streets without sidewalks, there is a big difference between them. Upton Road appears to be a 60-foot right-of-way whereas Wilson Road appears to be a 40-foot right-of-way. The 60-foot right-of-way is adequate in width for the following cross section:

- 5-foot sidewalk
- 6-inch curb
- 8-foot planter strip
- 5-foot bike lane
- 11-foot travel lane
- 12-foot turn lane/center island planters
- 11-foot travel lane
- 5-foot bike lane
- 2.5-foot shoulder

The planter strips could be modified to accommodate bus stops if and when transit services were extended. For Upton Road, as long as the City would take over jurisdiction and maintain the planter strip, there is only minimal additional construction cost to the county and no additional right-of-way costs. This increases the likelihood of a jurisdictional exchange taking place.

Wilson Road is another matter altogether. Right-of-way is typically the most expensive part of road projects. Getting any jurisdictional exchange agreement that brings Wilson Road up to a full urban collector cross-section standard would be very expensive due to all the right-of-way costs. An alternative would be to develop a road standard that can be built with basic urban amenities as part of the exchange agreement. This urban road standard would be responsive to developments as they occur when right-of-way can be lawfully exacted while avoiding a disconnected urban-rural facility system.

An example of this concept is provided in drawings attached to this Tech Memo. (Wilson Road Flexible Road Standard Concept Drawings.) This urban road construction standard would meet the basic needs of urban users in a developing area. The street standard would become part of a jurisdictional transfer and construction agreement between the City and the County. This street standard would be responsive to growth by requiring dedication of needed right-of-way. As a result, it would provide the ultimate Urban Collector Cross-section as individual developments occur, yet remain functional during the interim period.

2.4.3. West Forest-Gibbon Acres

A well configured transit stop on Table Rock Road would appear to be the best solution to serve this area. The area has a gridded street network, but the roads are rural in character and have minimal shoulders. Overall, traffic volumes are low so shared use of the roadway is possible for healthy bike and ped users. These facilities, however, do not meet ADA requirements. In the distant future, if service were extended with a loop to the area, significant roadway upgrades would be required. It would be difficult to locate funding for these improvements as these would tend to be low priority improvements for Jackson County Roads and would not be developer funded as the development potential is minimal under existing regulations.

3. CONCLUSIONS

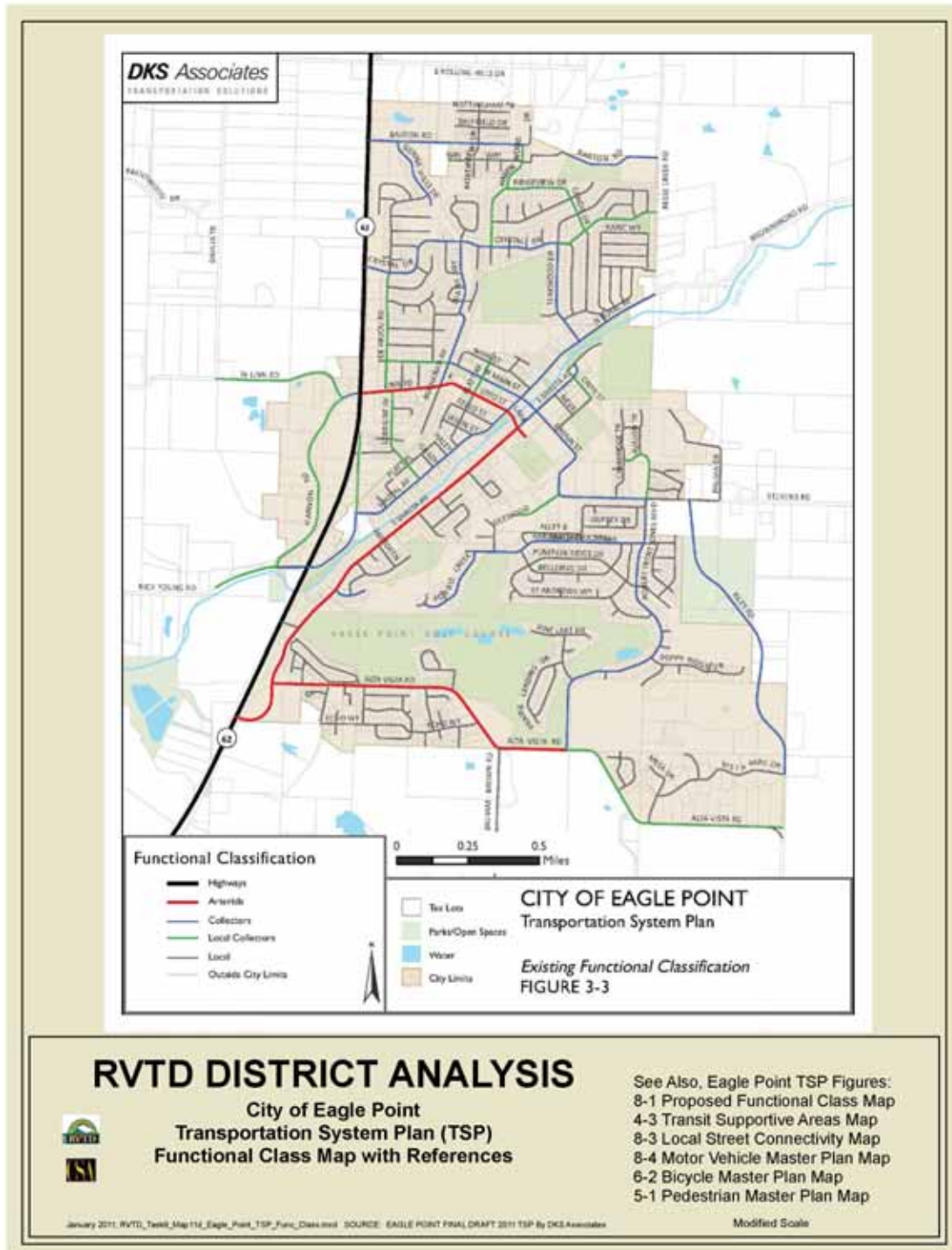
In general, all the areas where the RVT District Boundary might be expanded face some degree of transportation facility challenges, but none appear insurmountable.

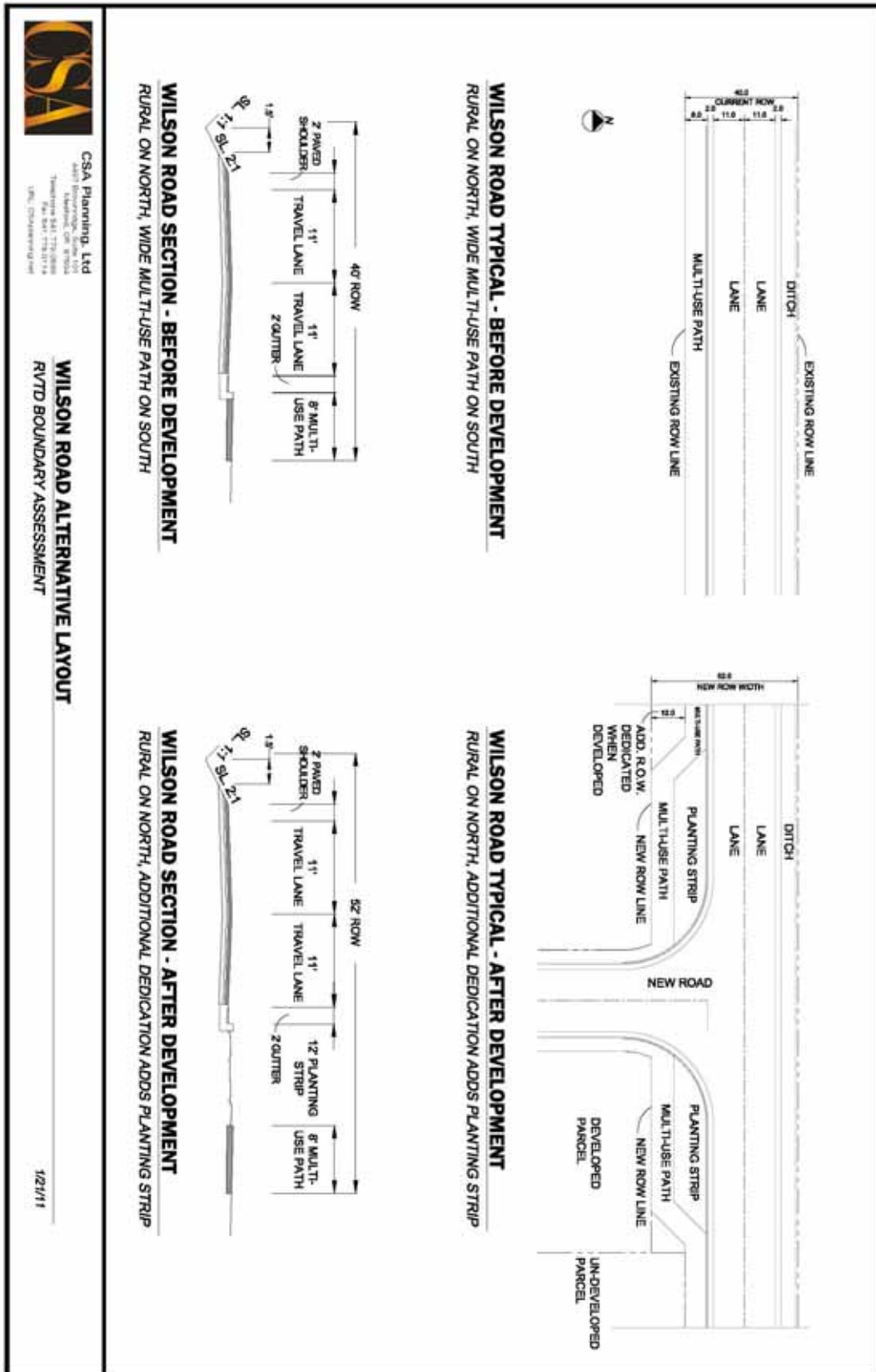
- It appears the West White City area presents the fewest challenges for the types of service that would likely be provided.
- Without a new TSP, it would have been difficult to even characterize the challenges that would be faced in Eagle Point. However, the new Eagle Point TSP does an admirable job of inventorying existing conditions and presents an aggressive list of transportation improvement projects that support transit development and service over time.
- There are many unknowns with the Tolo area, both from urban form and transit service standpoints. The main conclusion reached is that a significant amount of additional planning appears to be required.
- The other localized areas appear to need detailed planning and coordination between facility design, facility construction and RVT District services.

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Jay Harland
Principal





5.3 SURVEY DATA

5.3.1 Survey Text

Survey Questions

1. What changes would you prefer to see with RVTD's operating revenues as a percentage of the current operating revenues?

Each option lists the corresponding property or payroll tax needed to support the change in operating revenues. RVTD's 2009 operating budget equaled just over \$5.5 million resulting in the service currently provided to the district. Any % increase in operating revenue would result in an equal % increase in service. ***(Circle the letter)***

- A. No change
- B. Increase operating revenue by 10%-20% or about \$800,000 (~\$.25 per \$1,000 prop tax or ~0.05% payroll tax)
- C. Increase operating revenue by 40%-60% or about \$2.5m (~\$.40 per \$1000 prop tax or ~0.15% payroll tax)
- D. Increase operating revenue by 100% to 200% or about \$7.5m (~0.45% payroll tax)

2. If a tax rate change occurs, which form would you prefer? ***(Circle the letter)***

- A. All new revenue be derived from a payroll tax
- B. All new revenue be derived from property tax
- C. All new revenue be derived from a combination of new payroll taxes and property taxes

3. Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit service to each area based upon proximity to existing services and ability for service extension? ***(Circle your best characterization for each area)***

Eagle Point: (Very Achievable, Achievable, Somewhat Achievable, Unachievable)

West White City: (Very Achievable, Achievable, Somewhat Achievable, Unachievable)

Tolo: (Very Achievable, Achievable, Somewhat Achievable, Unachievable)

South Ashland: (Very Achievable, Achievable, Somewhat Achievable, Unachievable)

North Central Point (if not included as part of Tolo inclusion):

(Very Achievable, Achievable, Somewhat Achievable, Unachievable)

4. Based upon your understanding of long-range planning for the area and region, how would you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? ***(Circle your best characterization for each area)***

Eagle Point: (Very Supportive, Supportive, Somewhat Supportive, Unsupportive)

West White City: (Very Supportive, Supportive, Somewhat Supportive, Unsupportive)

Tolo: (Very Supportive, Supportive, Somewhat Supportive, Unsupportive)

South Ashland: (Very Supportive, Supportive, Somewhat Supportive, Unsupportive)

North Central Point (if not included as part of Tolo inclusion):

(Very Supportive, Supportive, Somewhat Supportive, Unsupportive)

Questions 5-10 are directed at the specific areas. Each question relies on data from the project analysis. Two questions are asked for each area. The first assumes the calculated costs at service levels currently provided elsewhere in the RVTB district under existing tax rates. The second question assumes calculated cost of service for the area with expanded weekday service hours and adding Saturday services and is associated with increased taxing rates to support the expanded services. Area specific pre-conditions that apply to the questions for that area are stated for each individual area. *(Circle Yes or No for each question)*

EAGLE POINT- These questions are asked from the perspective of RVTB and assume a desire to be a part of RVTB by the citizens of Eagle Point. Whether the citizens of Eagle Point want to be added to RVTB is a separate question and is one only the citizens of Eagle Point can answer.

5. Should RVTB pursue adding Eagle Point to RVTB at the existing taxation of 0.1772 cents per \$1000 (which equates to ~\$90,000 in direct property taxes and up to \$220,000 in total revenues) with current operating hours (M-F 6am to 6:30pm with 60 min headways) and an estimated cost of ~\$143,000?

Yes or No

6. Should RVTB pursue adding Eagle Point to RVTB if taxation rates were increased to \$0.40 per \$1000 or an equivalent to 4.5 tenths of a percent payroll tax (which equates to ~\$200,000 in direct taxes or ~\$375,000 in total revenues) with expanded service (M-F 4am to 10pm + Sat 8am to 6pm with 60 min headways) and cost ~\$230,000?

Yes or No

West White City- The West White City area questions assumes that any boundary change would only occur as part of or after the RVTB Long Range Plan Tier 1 service extension in the industrial area of White City east of Table Rock Road.

7. Should RVTB pursue adding West White City to RVTB at the existing taxation of 0.1772 cents per \$1000 (which equates to ~\$15,000 in direct property taxes and up to ~\$32,000 in total revenues) with current operating hours (M-F 6am to 6:30pm with 60min headways) and an estimated cost of ~\$31,000

Yes or No

8. Should RVTB pursue adding West White City to RVTB if taxation rates were increased to \$0.40 per \$1000 or an equivalent to 4.5 tenths of a percent payroll tax (which equates to ~\$33,000 in direct taxes or ~\$54,000 in total revenues) with expanded service (M-F 4am to 10pm + Sat 10am to 6pm with 60min headways) and cost ~\$50,000?

Yes or No

Tolo- The Tolo questions assume that the area immediately north of Central Point (in the proposed Central Point Urban Reserves) would also be included as part of a Tolo boundary expansion. Only the property tax scenario is assumed under question 10 because the payroll tax generates very little revenue in 2010.

9. Should RVTB pursue adding Tolo to RVTB at the existing taxation of 0.1772 cents per \$1000 (which equates to ~\$26,000 in direct property taxes and up to ~\$63,000 in total revenues) with current operating hours (M-F 6am to 6:30pm and 60min headways) and an estimated cost of ~\$419,000?
Yes or No

10. Should RVTB pursue adding Tolo to RVTB if taxation rates were increased to \$0.40 per \$1000 (which equates to ~\$59,000 in direct taxes or ~\$105,000 in total revenues) with expanded service (M-F 4am to 10pm + Sat 10am to 6pm with 60min headways) and cost ~\$680,000?
Yes or No

5.3.2 Raw Data

Question	Answer	TAC/ CAC	RVTD Board	TOTAL
What changes would you prefer to see with RVTD's operating revenue as a percentage of the current operating revenues?	No change	1	0	1
	Increase operating revenue by 10-20% or about \$800,000 (~\$.25 per \$1,000 property tax or ~0.05% payroll tax)	11	2	13
	Increase operating revenue by 40-60% or about \$2.5m (~\$.40 per \$1,000 property tax or ~0.15% payroll tax)	4	1	5
	Increase operating revenue by 100-200% or about \$7.5m (~\$0.45 payroll tax)	1	0	1
If a tax rate change occurs, which form would you prefer?	All new revenue be derived from a payroll tax	1	0	1
	All new revenue be derived from property tax	1	0	1
	All new revenue be derived from a combination of new payroll taxes and property taxes	7	3	10
Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit serve to each area based upon proximity to existing services and ability for service extension? Eagle Point	Very Achievable	2	0	2
	Achievable	6	2	8
	Somewhat Achievable	0	1	1
	Unachievable	0	0	0
Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit serve to each area based upon proximity to existing services and ability for service extension? West/White City	Very Achievable	3	0	3
	Achievable	2	1	3
	Somewhat Achievable	3	2	5
	Unachievable	0	0	0
Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit serve to each area based upon proximity to existing services and ability for service extension? Tule	Very Achievable	0	0	0
	Achievable	1	0	1
	Somewhat Achievable	4	0	4
	Unachievable	3	2	5
Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit serve to each area based upon proximity to existing services and ability for service extension? South Ashland	Very Achievable	1	0	1
	Achievable	3	0	3
	Somewhat Achievable	3	1	4
	Unachievable	0	1	1
Based upon your understanding of the current RVTD system and services, how would you characterize the ability to achieve transit serve to each area based upon proximity to existing services and ability for service extension? North Central Point	Very Achievable	0	0	0
	Achievable	4	0	4
	Somewhat Achievable	3	2	5
	Unachievable	0	0	0
Based upon your understanding of long-range planning for the area and region, how could you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? Eagle Point	Very Supportive	6	1	7
	Supportive	2	1	3
	Somewhat Supportive	1	1	2
	Unsupportive	0	0	0

Question	Answer	TAC/ CAC	RVTD Board	TOTAL
Based upon your understanding of long-range planning for the area and region, how could you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? West White City	Very Supportive	6	0	6
	Supportive	2	2	4
	Somewhat Supportive	1	1	2
	Unsupportive	0	0	0
Based upon your understanding of long-range planning for the area and region, how could you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? Tolo	Very Supportive	1	1	2
	Supportive	1	1	2
	Somewhat Supportive	3	1	4
	Unsupportive	4	1	5
Based upon your understanding of long-range planning for the area and region, how could you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? South Ashland	Very Supportive	3	0	3
	Supportive	2	1	3
	Somewhat Supportive	4	1	5
	Unsupportive	1	1	2
Based upon your understanding of long-range planning for the area and region, how could you characterize transit service to each area from the perspective of long range growth management plans and supply of transit service that can respond to expected needs? North Central Point	Very Supportive	3	0	3
	Supportive	2	1	3
	Somewhat Supportive	3	2	5
	Unsupportive	0	0	0
Should RVTD pursue adding Eagle Point to RVTD at the existing taxation of 0.1772 cents per \$1,000 (which equates to ~\$90,000 in direct property taxes and up to \$220,000 in total revenues) with current operating hours (M-F 6am to 6:30pm with 60 min headways) and an estimated cost of ~\$142,000?	Yes	5	3	8
	No	4	0	4
Should RVTD pursue adding EP to RVTD if taxation rates were increased to \$0.40 per \$1,000 or an equivalent to 4.5 tenths of a percent payroll tax (which equates to ~\$200,000 in direct taxes or ~\$375,000 in total revenues) with expanded service (M-F 4 am to 10 pm with 60 min headways) and an estimated cost of ~\$230,000?	Yes	6	3	9
	No	2	0	2
Should RVTD pursue adding West White City to RVTD at the existing taxation of 0.1772 cents per \$1,000 (which equates to ~\$15,000 in direct property taxes and up to ~\$32,000 in total revenues) with current operating hours (M-F 6am to 6:30pm with 60 min headways) and an estimated cost of ~\$31,000?	Yes	7	3	10
	No	2	0	2
Should RVTD pursue adding WC to RVTD if taxation rates were increased to \$0.40 per \$1,000 or an equivalent to 4.5 tenths of a percent payroll tax (which equates to ~\$33,000 in direct taxes or ~\$54,000 in total revenues) with expanded service (M-F 4 am to 10 pm with 60 min headways) and an estimated cost of ~\$50,000?	Yes	7	2	9
	No	2	1	3
Should RVTD pursue adding Tolo to RVTD at the existing taxation of 0.1772 cents per \$1,000 (which equates to ~\$26,000 in direct property taxes and up to ~\$630,000 in total revenues) with current operating hours (M-F 6am to 6:30pm with 60 min headways) and an estimated cost of ~\$419,000?	Yes	1	0	1
	No	7	3	10
Should RVTD pursue adding Tolo to RVTD if taxation rates were increased to \$0.40 per \$1,000 (which equates to ~\$59,000 in direct taxes or ~\$105,000 in total revenues) with expanded service (M-F 4am to 10pm + Sat 10am to 6pm with 60 min headways) and cost of ~\$680,000?	Yes	0	0	0
	No	9	3	12

5.4 TAC MEETING MINUTES



MINUTES: Technical Advisory Committee Meeting #1
August 18, 2010, 9:30 to 11:30 am
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

TAC members in attendance: Vicki Guarino, RVCOG program coordinator, Tom Humphrey, City of Central Point planning director, Alison Chan, City of Medford finance director, Bianca Petrou, City of Medford assistant planning director, David Hussell, City of Eagle Point administrator, Tracie Nickel, Jackson County Development Services, Mark Knox, City of Talent planning director, Joe Strahl, Public Works Management and City of Phoenix representative, Jason Elzy, Housing Authority of Jackson County, Colin May, City of Jacksonville planning technician, George Dunkel, Special Districts Association of Oregon, Dave Lohman, RVT legal counsel.

Absent: Kelly Madding, Jackson County Development Services Director, Bill Holmstrom, LCDC representative, Jim Huber, City of Medford Planning Director, Michael Faught, City of Ashland Public Works Director.

Project team in attendance: Shirley Roberts, ODOT TGM contract manager, Paige Townsend, RVT senior planner, Jon Sullivan, RVT associate planner, Jay Harland, CSA project manager/principal, Mike Savage, CSA GIS analyst, Melissa Stiles, CSA public involvement.

Introduction and background:

Julie Brown, RVT general manager, thanked the TAC members for participating in the district assessment. She spoke by teleconference from a DHS conference in Gearhart. After introductions, Paige Townsend, senior planner for RVT, provided background for the project and identified the 10-Year Long Range Plan as the primary reason this project was seen as important due to new service areas lying outside of the boundary and the possibilities for new funding mechanisms. She then explained the role of the Technical Advisory Committee and Citizen Advisory Committee in offering recommendations to the RVT Board of Directors. RVT attorney Dave Lohman, who also serves on the Oregon Transportation Commission Board, said the boundary assessment study is timely. It could present economic opportunities for maintaining or expanding RVT service. The district boundary study is made possible by a TGM grant, which is sponsored by DLCD and ODOT. RVT will provide a local match for the grant. Shirley Roberts of ODOT serves as contract manager. It's a trial project that shows foresight on the part of ODOT and RVT. It could set a precedent for similar grants to help

districts stabilize funding through a boundary analysis in the context of planning for future population and employment growth.

Project overview and strategy:

CSA Project Manager Jay Harland discussed the project tasks and goals outlined in the scope of work. This is not a land use planning exercise but assessing a boundary for a taxing district; therefore, the project is not tied to certain planning definitions. Tasks 1-5 are the fact-finding, non-creative stage of the project. Here is a summary:

Task 1/Technical Memo #1: Forming of the TAC/CAC and preparing a draft study area.

Task 2/Technical Memo #2: This provides the regulatory framework. The laws and regulations that will guide the project.

Task 3/Technical Memo #3: The existing land use conditions; what is built now and what's planned to be built in the near term.

Task 4/Technical Memo #4: Transportation projects on the horizon that may affect the boundary study.

Task 5/Technical Memo #5: Future land use conditions requiring robust analysis and economic modeling, and making some educated predictions.

Task 6/Technical Memo #6: Funding analysis to be completed by REMI Northwest Chief Economist Alec Miller, who takes a conservative approach to funding options.

Task 7/Technical Memo #7: We will establish criteria for district inclusion. We will have several scenarios, including a do nothing option.

Tasks 8-9/Technical Memos #8 and #9: What will the district boundary alternatives look like on the ground; maps of the scenarios.

Task 10/Technical Memo #10: This task bundles the technical memos and TAC and CAC recommendations into a final report for the RVTB Board. We will present a draft document for the district boundary assessment.

Task 11/Contingencies: Ten percent of the budget is reserved for investigating other research opportunities. We will keep a bucket list of "what ifs" that fall outside the project scope for further study. This will prevent the project from getting boxed in or unresponsive to TAC and CAC feedback.

The City of Central Point asked whether the district boundary study could result in eliminating parts of the district and expanding other parts. RVTB responded yes, it's possible lands will be removed from the district boundary. The 35-year-old district boundary was created without the analysis tools we have today and is nearly unchanged since its formation in 1975.

Governance: electing a chair:

Tracie Nickel of Jackson County Development Services attending the TAC meeting on behalf of Kelly Madding, noted that Kelly volunteered to serve as chair. David Hussell, City of Eagle Point administrator, volunteered to serve as vice chair. The TAC members unanimously agreed on the appointments of Kelly Madding as chair and David Hussell as vice chair.

Discussion of Technical Memo #1

A goal of this meeting is for TAC members to reach consensus about the draft study area presented in Technical Memo #1. CSA described the two study areas: urban and rural. Generally, the urban boundary reflects the Census defined urbanized areas and accounts for the Air Quality Maintenance Area and Metropolitan Planning Organization boundaries. The rural area is all of Jackson County that is outside of the defined urban area.

TAC members asked about the possibility of studying Shady Cove, Gold Hill and Grants Pass. CSA and RVTD explained that when the district boundary reaches a population of 200,000, federal funding for operations plummets. Currently the district boundary population is about 156,000; it is expected to reach 200,000 by 2030. There may be other options for linking transit service to these communities without being included in the district boundary. TAC members asked about the idea of using state funding earmarked for rural areas (5311 funds) to provide service in Shady Cove and Gold Hill and use federal funding (5307 funds) for urban areas. CSA provided an example of an urban transportation district doing this is Coeur d'Alene, Idaho. It is a costly option, however, because of federal mandates to provide paratransit service to rural areas.

Action:

After discussion, Tom Humphrey of the City of Central Point made a motion to adopt the urban and rural study areas as described in TM#1 and George Dunkel of SDOA seconded the motion. Acting chair David Hussell called for a vote and the TAC unanimously agreed to adopt the study areas.

Discussion of Technical Memo #2

It's generally easier to find capital funding than funding for operations such as drivers and fuel. The City of Medford said this is not unique to RVTD. RVTD said the district needs a plan of action for funding once the population reaches 200,000. Eugene faced this situation in 2000 and since then has been struggling to maintain bus service.

CSA explained the regulatory framework, including Oregon Revised Statute 198 which governs special districts and ORS 267 which uniquely applies to RVTD. It authorizes RVTD to collect ad valorem taxes at a rate of .17/\$1,000 assessed value with a maximum threshold of .50/\$1,000. Another statutory provision is the transportation district's ability to recreate itself with a new tax rate, reforming the organization and changing the district's permanent tax rate. Like most other funding options, this would require a legislative act or a vote of the people and possibly a majority turnout. The advantage to this option is that if the vote fails, the district remains with its current structure. Another statutory provision for RVTD is the ability to create taxing zones with varying tax rates. A corporation might want to be included in a higher taxing zone to provide better access to transit lines for employees. CSA and RVTD legal counsel will research this further. Finally, TM#2 considers regional planning that might impact the RVTD boundary study.

CSA asked Eagle Point to summarize the historical issues around the de-annexation from the RVTB district. The city administrator explained that years ago certain properties in Eagle Point were being assessed at the .17/\$1,000 rate but were not being served by transit. Eagle Point and RVTB representatives met and could not reach agreement about removal of the properties. (It was during the previous board and staff tenure; current staff members were not involved.) Eagle Point unsuccessfully appealed to the Jackson County Board of Commissioners and eventually worked with Senator Bates and Representative Gilman to create legislation that removed Eagle Point from the RVTB district. While the event remains on council minds, the city council realizes Eagle Point is an urbanizing center that may want transit service in the future; Eagle Point's population has doubled in the last decade and the population is expected to double again in the next 20 to 30 years. In response to a question from a TAC member, the Eagle Point city administrator said he is participating in the TAC meetings with the council's blessing.

No action was required regarding TM#2. CSA, RVTB and ODOT invited TAC members to send feedback by email or phone.

Closing comments:

Tom Humphrey of the City of Central Point and George Dunkel of Special Districts Association of Oregon said the technical memos contain very creative funding ideas.

Next Meeting:

The next TAC meeting will be held at 9:30 am Wednesday, October 20, in the RVTB conference room, 3200 Crater Lake Avenue.



MINUTES: Technical Advisory Committee Meeting #2
October 20, 2010, 9:30 to 11:30 am
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

TAC members in attendance: Kelly Madding, Jackson County Development Services Director, Tom Humphrey, City of Central Point planning director, Bianca Petrou, City of Medford assistant planning director, Bunny Lincoln, City of Eagle Point administrator, Dale Schulze, City of Phoenix Planning Director, Jason Elzy, Housing Authority of Jackson County, Karl Johnson, City of Ashland.

Absent: Vicki Guarino, RVCOG program coordinator, Bill Holmstrom, LDCD representative, Alison Chan, City of Medford finance director, David Hussell, City of Eagle Point administrator, Mark Knox, City of Talent planning director, George Dunkel, Special Districts Association of Oregon, Dave Lohman, RVTD legal counsel.

Project team in attendance: Shirley Roberts, ODOT TGM contract manager, Paige Townsend, RVTD senior planner, Jon Sullivan, RVTD associate planner, Jay Harland, CSA project manager/principal, Mike Savage, CSA GIS analyst, Melissa Stiles, CSA public involvement, Alec Miller, senior economist REMI Northwest.

Approval of Minutes:

Jason Elzy made a motion to approve the August 18 TAC minutes and Tom Humphrey seconded the motion. Chair Kelly Madding called for a vote and the TAC unanimously agreed to adopt the minutes from Meeting #1.

Introduction:

Paige Townsend said RVTD is excited about the opportunities provided by the district boundary assessment. CSA has created data and modeling tools for RVTD's use now and in the future. It is the first time RVTD has had such tools available. Joe Strahl of Public Works Management introduced his replacement on the TAC, Dale Schulze, City of Phoenix Planning Director.

Discussion of Technical Memo #4:

CSA Project Manager Jay Harland reviewed transportation projects that might impact routing and district boundary changes. State projects include Highway 62 Corridor and Fern Valley Interchange, which is near the geographic center of the RVTB district boundary but outside service area. County projects include improvements to Table Rock Road, which currently has no service, and the extension of Foothill to Atlantic Avenue in White City, which has no urban amenities. City projects include Siskiyou Boulevard and Tolman Creek and Mistletoe and Tolman Creek in Ashland, traffic calming projects on Highway 99 in Central Point, Parking to Third Street extension and Third to Highway 99 extension in Phoenix, West Valley View Master Plan and Rogue River Parkway to Talent Avenue extension in Talent and Coker Butte Highway 62 intersection and Owens Drive to Foothill extension in Medford. Tom Humphrey of the City of Central Point suggested adding to the list the railroad crossing at Twin Creeks, which is scheduled for construction in spring. Bunny Lincoln of the City of Eagle Point suggested including planned improvements on Hannon Road and Crystal Springs Drive. There was discussion about the need for sidewalks along Beall Lane. Paige Townsend said RVTB receives phone calls from riders who claim they are standing in ditches while waiting for the bus along Beall Lane. Tom Humphrey suggested a site visit to survey Beall Lane improvements.

Jay Harland discussed jurisdictional exchange of roads between the cities and county. RVTB has opportunity to provide a unique role in advocating for sidewalks and keeping the process moving forward. He discussed Map 5, which shows location of planned projects through 2034. He reviewed changes that would impact bicycle and pedestrian systems, including sidewalks planned on Hersey Street in Ashland, Third Street in Jacksonville and Mace Road near Howard Elementary in Medford. The Bear Creek Greenway expansion from Central Point to Rogue River is an off-street project that could add a recreation component if cyclists or walkers ride the bus to access portions of the greenway, for example. He discussed Map 4, which shows long range plan service expansion scenarios inside the current RVTB boundary.

Discussion of Technical Memos #3 and #5:

Jay Harland discussed the importance of land use in district boundary planning. When population and jobs increase, so does demand for transit. An increase in population, jobs and private property investment would result in an increase in transit revenue per mile. CSA Planning analyzed parcel, population and employment data and created four categories to manage the data. The categories are Urban Growth Planning, Rural-Enduring, Urban Built and Urban Fully Planned. Table 4 from Tech Memo #3 shows that half of the lands in the district boundary fall in the Rural-Enduring category. Interestingly, those lands contain 20.4 million square feet of built area.

The method for selecting lands for the four categories began with the exception areas shown in Map 1, including Medford employment lands. The team added US Census data to spatially determine population per acre as shown in Map 2. The only other way to collect population

data would be to visit each parcel and count residents. Map 3 adds employment lands, infrastructure and land consumed by right of way projects. The team's analysis was strengthened by experience and knowledge honed from completing Housing Element and Economic Element updates for the City of Medford. Table 6 shows the result of the analysis: with full build out of all four land use categories, the existing transit would serve nearly 80 percent of employees within a half-mile but only 40 percent of residents, making it difficult for riders to get home from work. In conclusion, half of the study area consists of large rural areas, with Eagle Point and the western edge of White City being the two primary urban areas outside the boundary; existing transit routes adequately serve current employment conditions geographically; residential population growth is planned to be located further from existing routes.

Discussion of Technical Memo #5:

Technical Memo #5 theorizes the way that category Urban Growth Planning will be eventually built out. The analysis assumes RPS will be adopted however RPS does not provide master planning concepts for the urban reserve areas. Without the RPS urban reserves, which are 50 year growth areas, the district boundary study would have to rely on urban growth boundaries, which are 20 year growth lines to plan future transit service. The team used three factors for selecting urban growth planning lands: is the land included in RPS; how steep is the land; and how close to roadways and used best judgment to theorize where certain land uses would be built in the urban reserve areas. Future parks were placed throughout residential areas and future residential was placed near arterials. On Map 6, which shows future population and employment, employment growth is projected as the primary use for the Tolo Road area in the north and Fern Valley in the south while predominantly population growth is projected for Eagle Point. Table 6 shows with full build out in 50 years, 80 percent of employment lands will be within a half mile of a bus stop. In summary, Eagle Point is the only significant existing population center outside the boundary and one of two growth areas. The other growth area is in East Medford, which is inside the district boundary but has no transit service. Other summary points are: western White City is the only significant area with existing employment land outside the district boundary; Central Point has a small area designated for growth but outside the RVTD boundary and Jacksonville and Ashland have small exception areas that may result in growth. Also of interest, Ashland has an area in the south where the RVTD bus must turn around outside the district boundary.

In response to a question regarding procedure for bringing Eagle Point into the district, CSA Planning and RVTD project managers said the possibilities include annexation or reformation of the district, both which would require a vote of the people.

TAC members asked why the indicator for adequate distance to a bus stop was a half mile, rather than a quarter mile. Paige Townsend responded that the Federal Transit Administration determined that a half mile is just as effective as a quarter mile for the majority of riders. TAC members asked about the method for determining employment land. Jay Harland responded the team used RPS percentages as well as local knowledge about private

development. It was noted that a correction is needed for Map 8, to remove the national cemetery at Eagle Point from the employment land category.

Next Steps:

The detailed analysis in Technical Memos #1 through #5 will serve as the building blocks to support policy choices outlined in Technical Memos #6 through #9. The policy choices will be backed by the spatial work and economic modeling. One of the policy choices will be to do nothing, which would result in a greater origin-destination imbalance between where people live and work. One policy choice may be phasing the district boundary so that when an urban reserve area is included in an urban growth boundary, it would also be included in the RVTD boundary.

Next Meeting:

The next TAC meeting will be held at 9:30 am Wednesday, December 15, in the RVTD conference room, 3200 Crater Lake Avenue.



MINUTES: Technical Advisory Committee Meeting #3
December 15, 2010, 9:30 to 11:30 am
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

TAC members in attendance: Vicki Guarino, RVCOG Program Coordinator, Tom Humphrey, City of Central Point Planning Director, Bianca Petrou, City of Medford Assistant Planning Director, David Hussell, City of Eagle Point Administrator, Dale Schulze, City of Phoenix Planning Director, Jason Elzy, Housing Authority of Jackson County, Alison Chan, City of Medford Finance Director, George Dunkel, Special Districts Association of Oregon.

Absent: Kelly Madding, Jackson County Development Services Director, Bill Holmstrom, LCDC, Karl Johnson, City of Ashland, Mark Knox, City of Talent Planning Director, Dave Lohman, RVTD Legal Counsel.

Project team in attendance: Shirley Roberts, ODOT TGM Contract Manager, Paige Townsend, RVTD Senior Planner, Jon Sullivan, RVTD Associate Planner, Jay Harland, CSA Project Manager/Principal, Mike Savage, CSA GIS Analyst, Melissa Stiles, CSA Public Involvement, Alec Miller, Senior Economist REMI Northwest.

Introduction:

The focus of TAC Meeting #3 is the revenue analysis and criteria for boundary conclusion, map reviews of candidate regions for boundary inclusion and chart reviews of revenue forecasts related to boundary changes.

Discussion of Technical Memo #6:

In Technical Memo #6, REMI Northwest Senior Economist Alec Miller showed RVTD revenue forecasts using the variables of payroll tax and property tax as they relate to boundary changes. The study excluded capital funds such as the \$2.4 million in federal stimulus money received by RVTD in 2009 and focused on operational revenue in three fiscally-important areas, of Eagle Point, Tolo and White City. Eagle Point was selected for study because it is outside the RVTD boundary and because regional plans forecast a high population growth; Tolo was selected because regional plans forecast high employment growth, although only a few businesses exist today. Western White City was selected because it is adjacent to an RVTD service area and on RVTD's priority list for extending service. Density is a central issue to the consideration of transit revenue. Map 2 on Page 13 of the memo indicates RVTD is well set up for a payroll tax because RVTD already provides service to employment areas.

Property Tax: Table 5 on Page 8 of the memo shows the impact of property tax revenue for the three candidate areas for district inclusion. The spreadsheet uses a range of property tax rates from 17 cents per \$1,000 of assessed value, the district's current tax rate, up to 50 cents per \$1,000 of assessed value. Rates above 17 cents per \$1000 could be achieved through district reorganization. If annexed, Eagle Point could generate \$230,000 in property tax revenue, which is expected to nearly pay for service. Western White City would generate \$15,000, an amount offset by the fact that RVTD plans to serve an adjacent area anyway. Table 5 shows revenue that RVTD would receive upon annexation of the areas into the district. Table 6 shows forecasted growth of annex-related revenue, such as bus fare as ridership increases and advertising revenues as bus service expands. Regarding Tolo area, Tom Humphrey and Bianca Petrou asked about the possibility of providing a van for private employer Erickson Aircrane. Paige Townsend said federal special needs grants are available for van pools with passengers paying 50 percent. Tolo is predicted to be the fastest-growing employment area in the region. The area presents a different financial dynamic because it is located more than a mile away from existing routes. The \$64,000 in generated property tax revenue would likely not pay for the cost of extending regular service.

Payroll Tax: Table 7 on Page 9 of the memo shows potential revenue from payroll tax, ranging from 1/10 to 6/10 percent, or \$33 to \$199 in annual employer costs per person. The calculations are based on a \$33,000 average salary in the region. A payroll tax is paid for by employers, similar to a worker's comp tax. The revenue generated is in the range of what the service would cost. For example, White City would generate a low amount of revenue but would be the easiest to serve because of its proximity to existing routes. Tom Humphrey said a payroll tax would have political implications and present challenges in a time of rising PERS and health care costs. REMI Northwest responded that a payroll tax provides another source of revenue but does not solve all revenue problems. RVTD has learned from observing other districts in Oregon of the risks of adding a payroll tax while dropping property tax. A payroll tax is volatile because it varies with business cycles, is tied to employment rates and is impacted by the current recession. But a property tax and a payroll tax together could provide a stable funding source for RVTD. Table 9 on Page 12 shows a payroll tax providing \$1.7 million annually to the district budget. George Dunkel of Special Districts Association of Oregon asked about the percent labels in Table 9. The labels are the result of discussion with RVTD about using terms that help people understand the concepts while avoiding wrong conclusions. Alison Chan of the City of Medford asked about a system for collecting and distributing payroll tax. Alec Miller said the revenue forecasts in the payroll tax spreadsheet include 10 percent for collection and distribution. The Oregon Department of Revenue collects payroll taxes for Lane and Tri-Met but is unwilling to collect payroll taxes for RVTD, even with compensation. However, RVTD believes there may be room for negotiation.

Contracting Service: TAC members discussed the option of Eagle Point contracting with RVTD to receive transit service. Eagle point could do this by forming its own district, levying taxes to pay for the service and contracting with RVTD to provide the service. The advantage of this option is a higher property tax rate for the new district. George Dunkel said a challenge could arise if the new district and the RVTD district compete for the same land. Paige Townsend said additional challenges with a district funded service would be determining a cost effective south terminus for a route and how it meets up with RVTD's system. Another option is for Eagle Point to purchase service out of general

funds allowing greater flexibility and ultimately allowing Eagle Point to become part of RVTD's District at a later date.

Population Threshold: Paige Townsend of RVTD said there is a need to increase operational funds because RVTD's federal funds require a 50 percent match. Furthermore, federal 5307 funds evaporate when the region's population reaches 200,000. In response, CSA Planning referenced information in Table 4 on Page 8 of Technical Memo #6 that shows the population will reach 187,445 by 2030, well below the threshold. This estimate includes the potential growth areas of Eagle Point, White City and Tolo. The question was raised whether forming a separate district for Eagle Point would impact US Census population designations. CSA Planning suggested this would be an issue for further research.

Discussion of Technical Memo #7

CSA Planning Project Manager Jay Harland discussed the three geographic areas that matter from a financial standpoint. Technical Memo #7 outlines three service timing scenarios of Immediate, Long-Range and Programmed. Immediate service would provide for a fixed route to the new area within 24 months. Long-range service planning recognizes the area as appropriate for service as funds become available. Programmed service would provide fixed route within 2 to 4 years. In review, Tech Memo #2 described two ways to change a district boundary as being by a change in organization or by annexation. The process of annexation starts with the RVTD Board, requires a City Council resolution and a public hearing before the Jackson County Board of Commissioners.

Eagle Point: If Eagle Point enters the district through annexation, the property tax would remain the same. If Eagle Point enters the district through reorganization, the property tax rate could be increased to help pay for expanded services. In either scenario the technical memo categorizes Eagle Point service as Immediate.

Tom Humphrey asked if urban reserves could be included in the annexation. CSA Planning responded that yes, projected growth for RVTD corresponds with projected growth in Regional Problem Solving. The RVTD district boundary study assumes the adoption of Regional Problem Solving.

West White City: West White City is listed in RVTD's Tier One for service expansion but it stops at the current district boundary. It could be extended beyond Antelope Road for a relatively low cost. RVTD has considered a White City-Central Point connection. TAC members discussed service districts separated by rural roads and agricultural land and whether that land should be included in annexations.

Tolo: The possibility of a van pool was discussed for the Tolo area. Van pools are funded by a federal grant with a 50 percent employer match. Regional planners anticipate Tolo will have rapid and expansive growth with 200,000 people by 2030. However the industrial employment predicted for the area, is not as conducive to transit as forecasted employment campuses elsewhere in Jackson County.

Central Point and Ashland: Map 10.N.CP shows a small, developed area by Gebhart Road that's in the Central Point city limits but outside the RVTB district. Such areas could be annexed at the time a property owner submits a land use application. It would be similar to land use applications that require a property owner to seek annexation into a fire district. Map 10.SE.Ashland shows another area that receives benefits without being in the district. It includes a public golf course that the city intends for affordable housing someday. This area is a logical place for annexation.

Tom Humphrey asked about a strategic advantage in making wholesale changes. Jay Harland suggested if a change in organization failed at the ballot box, RVTB could move forward on annexations. Paige Townsend said a complicated ballot measure could be daunting to voters. It might be better to annex smaller areas to simplify the reorganization boundaries. George Dunkel said it's possible the boundary could be altered during the public hearing phase if the property owner's testimony convinced county commissioners to adjust boundaries. He gave the example of Nike spending money on a campaign against annexation that resulted in the corporation remaining outside city limits. Vicki Guarino of RVTB said it might be a risk to open the boundary process up to the county hearing process.

The final map for review, Map 10. Combo, looked at removal of rural lands from the district boundary. Page 19 of Technical Memo #6 discussed the implications of withdrawing rural lands from the district. Alison Chan asked about the availability of Park and Rides. She has a friend from Eagle Point who drives to the VA Dom and rides the bus to work in Medford. Paige Townsend said there are Park and Rides available in Jacksonville, Talent, Central Point, White City and Medford..

Next Steps: Technical Memo #8 will address infrastructure and roads necessary for the boundary scenarios. CSA Planning and REMI Northwest will work with RVTB to calculate estimated costs for providing service to the target areas (Eagle Point, White City and Tolo). There is contingency money in the budget reserved for this study with ODOT's approval. In January, CSA Planning and RVTB will send a survey to TAC members asking for opinions about boundary change scenarios described in Tech Memos #6 and #7. Survey results will be presented at the February meeting.

Next Meeting:

The next TAC meeting will be held at 9:30 am Wednesday, February 16, in the RVTB conference room, 3200 Crater Lake Avenue.



MINUTES: Technical Advisory Committee Meeting #4
March 16, 2011, 9:30 to 11:30 am
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

TAC members in attendance: Kelly Madding, Jackson County Development Services, Vicki Guarino, RVCOG Program Coordinator, Bianca Petrou, City of Medford Assistant Planning Director, David Hussell, City of Eagle Point Administrator, Dale Schulze, City of Phoenix Planning Director, Alison Chan, City of Medford Finance Director, George Dunkel, Special Districts Association of Oregon.

Absent: Tom Humphrey, City of Central Point Planning Director, Director, Bill Holmstrom, LCDC, Jason Elzy, Housing Authority of Jackson County, Karl Johnson, City of Ashland, Mark Knox, City of Talent Planning Director, Dave Lohman, RVTD Legal Counsel.

Project team in attendance: Shirley Roberts, ODOT TGM Contract Manager, Paige Townsend, RVTD Senior Planner, Jon Sullivan, RVTD Associate Planner, Jay Harland, CSA Project Manager/Principal, Mike Savage, CSA GIS Analyst, Melissa Stiles, CSA Public Involvement, Alec Miller, Senior Economist REMI Northwest.

Introduction:

Paige Townsend gave an update of the progress since the last meeting. We took a pause to take a closer look at key areas outside the district boundary. The CAC and RVTD Board had asked for estimated costs for services in the key areas before providing recommendations on whether they should be included in the boundary. Alec Miller of REMI Northwest created a cost model, a planning tool to answer questions about whether inclusion would be feasible from a cost standpoint. What we found through the process is yes, it would be feasible to include Eagle Point. The team met with City Administrator David Hussell and other staff and specific transit planning for Eagle Point was recommended. Now the ball is in Eagle Point's court whether to initiate becoming a part of the RVTD district. RVTD staff and CSA have also presented an update to the RVTD Board on March 9th. There it was explained that within the next two years staff would make a recommendation to the Board for a resolution about district boundaries that would then go to the County Board of Commissioners.

Jay Harland briefly reviewed the two ways to expand RVTD's district boundary -- change of organization and annexation. The County Board of Commissioners plays a key role in special district boundary changes. In developing the cost model, the team asked, "Where shouldn't the boundary go?" Special districts do not force service on people who don't want it. And sometimes special districts serve areas that are not economical to serve. For two months we looked at the costs of

possible boundary changes. Alec Miller of REMI Northwest will demonstrate the spreadsheet we came up with.

Cost Model:

Alec Miller of REMI Northwest explained how he broke down the cost components in digestible pieces. Several variables determine total costs for operating RVTD:

- Cost per mile of fixed route operations
- Geographic area to be served, route length
- Frequency of service, which is defined as the number of times a bus stop is served by transit and could include multiple routes. For example, there is 15 minute frequency in Ashland due to the Route 10 and Route 15 serving the same area.
- Headways, which are defined as how many times the bus leaves the terminal downtown
- Duration of service in the day. Current service is 6:00 am to 6:30 pm; extended service would be 4 am to 10 pm
- Number of days served in the year: 255 currently or 312 with Saturday service
- Peak service and express service: trips added during commuting hours
- Deadheads: trips from the bus barn to the downtown terminal or first stop

Revenue can also be separated into specific factors: geographic area; population and employment; level and type of taxation; federal and state funding programs; and business revenues including farebox and advertising.

	Existing Service Levels	Saturday Service	Extended Hours	Total Cost	Increased Revenues
Existing Routes		\$ 924,791	\$ 1,511,782	\$ 2,436,573	
West White City Expansion	\$ 30,973	\$ 5,242	\$ 14,295	\$ 50,509	\$ 32,172
Eagle Point Expansion	\$ 142,681	\$ 24,146	\$ 65,853	\$ 232,679	\$ 219,286
Tolo Expansion	\$ 419,163	\$ 70,935	\$ 193,460	\$ 683,558	\$ 63,827
Total Marginal Cost	\$ 592,816	\$ 1,025,114	\$ 1,785,389	\$ 3,403,319	\$ 315,285
Total Costs	\$5,606,741	\$6,631,855	\$ 7,392,130	\$ 9,010,060	

REMI Northwest Table From Technical Memo 6

The route cost planning model calculates the approximate costs and revenues that result from specific choices. Alec Miller used the table above to explain examples of the findings. The model shows if RVTD provides service to Table Rock Road, a loop to Amy's Kitchen, would cost approximately an additional \$30,973. If RVTD adds Saturday service, the cost would increase by \$5,242. If RVTD extends hours from 4 am to 10 pm, it would add another \$14,295 to the cost. The total cost for all the extra service is \$50,509 yet the increase in revenue generated by the area is \$32,172. There is not enough projected revenue to pay for all of the service in the chart. RVTD would likely have enough revenue to provide 1 hour headways to Amy's Kitchen from 6:00 am to 6:30 pm (\$32,172 in revenue is greater than \$30,973 in cost). For Tolo, the cost would be \$419,163 yet the revenue generated would be \$63,827. (The Tolo route would consist of an extension from Central Point along Highway 99 and connect to the existing White City route.) Alec remarked that the RVTD Board was impressed with the fact that estimated costs for Tolo were so much more than projected

revenues. But the RVTB Board saw that the opposite was true for Eagle Point, where projected revenue is greater than projected costs.

The model can identify the approximate costs of minute changes to the system. The model allows the planner to put in the time of day, number of days and headways and have a discussion about forecasted revenues and costs, Alec Miller explained. This modeling can be done for existing routes and planned routes in RVTB's long-range plan. Dale Schulze of the City of Phoenix asked if the next level of accounting had to be in place before making a decision. Alec Miller said yes, the cost model is a tool to use to help RVTB decide if they should invest staff time for further research. If so, RVTB staff would have to dissect the number of stops and other details for proposed routes. This model is a planning tool, not a financial accounting tool, he emphasized. It helps RVTB staff decide which options to study further. TAC Member Vicki Guarino asked if the cost per mile includes paratransit costs. Paige Townsend said yes; paratransit is included in the estimated cost per mile of \$6.11. Alec Miller said he averaged out paratransit costs across the district because costs are higher on routes with frequent requests for rides. In comparison, translink services are not included in the cost per mile because it is funded separately by the state. TAC Chair Kelly Madding asked about RVTB's current expenses and Paige replied that the budget is \$5.5 million.

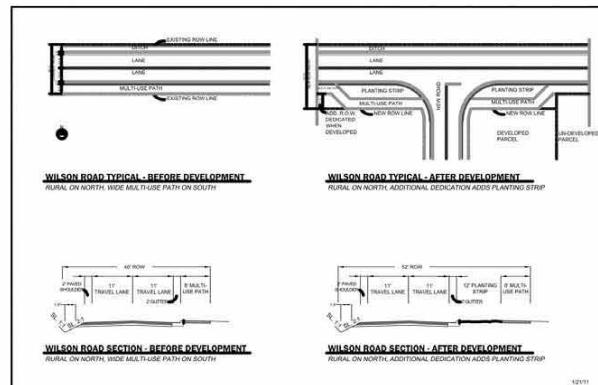
TAC members discussed the difference in frequency and headway. Frequency of service is defined as the number of times a bus stop is served by transit and could include multiple routes. Headways are defined as how many times the bus leaves the point of origin, usually the transit center downtown. Because of the multiple variables, Alec Miller emphasized the importance of looking at one variable at a time while estimating costs. For TAC members, he opened the spreadsheet and used the model to demonstrate how increasing headways or extending hours immediately shows changes in costs. It makes the scenarios realistic and allows the planning conversation to continue.

Discussion of Technical Memo #9

CSA Planning Project Manager Jay Harland discussed potential boundary changes in four situations: Eagle Point; West White City; Tolo; and Southeast Ashland, North Central Point, West Forest-Gibbon Acres. In Eagle Point, coordination must take place with Highway 62 improvements and in the context of the fact that local streets are constrained by Little Butte Creek and Eagle Point Golf Course. The new Transportation System Plan provided a good inventory of bicycle and pedestrian facilities and street networks and laid a foundation for future planning. The TSP also identifies a need for \$100,000 in transit planning. In West White City, it's important to note that Kirkland Road and Avenue G will soon become an extension of State Highway 140. State highways are managed to meet the needs of through traffic, while local streets can better function with the frequent stops required by transit. Technical Memo #9 recommends that RVTB work with Jackson County and the City of Medford on connectivity issues west of Whetstone Creek. Three highways run through Tolo, Highways 140 and 99 and Interstate 5, but only one local street, Blackwell Road. Such factors restrict transit. Eventually the final portion of the Bear Creek Greenway may be built near Tolo, providing a bike/ped connection from Rogue River to Ashland. Tolo also has potential for van pools from Grants Pass, Rogue River and Gold Hill. In Ashland, Technical Memo 9 recommends transit-friendly designs with the golf course's possible redevelopment into residential use.

Flexible Street Standards: CSA Planning went beyond what the scope of work required by developing a flexible street standard for North Central Point. The CSA Planning team recommends consideration of a flexible street standard that would provide for transit stops on county roads that will become city streets through jurisdictional exchanges. The drawing demonstrates that 60-foot right-of-way is adequate for transit stops. This would reduce the public expense of purchasing property for right of way. The proposed flexible street standard provides for 40-foot travel lanes and an 8-foot multi-use path.

TAC members asked if the flexible street standard meets facility needs at bus stops for ADA. Paige Townsend said yes, the design meets RVTD specifications. The 8-foot multi-use path would be paved and the RVTD bus lifts are capable of operating at street grade. RVTD also needs a concrete surface through the planter strip so a wheelchair can roll to the bus. TAC members asked about the street design having bus stops on one side of the road. The team agreed there may



CSA Planning's flexible street design from Technical Memo 9

be some crossing issues. The Wilson Road flexible standards were designed to aid jurisdictional exchange agreements on streets and roads where right of way is an issue. If right of way is available for purchase, the designs could be modified to better serve transit. The facility study was a small percentage of the boundary assessment project, Paige Townsend said. The team looked at facilities planning with a broad brush as potential solutions to start the conversation. Much more work would need to be done regarding facility planning before final boundary decisions are made.

Conclusion: Technical Memo #9 offers four conclusions. West White City has few challenges for the types of service that would be provided; Eagle Point's new TSP includes a list of transportation projects that support transit development and service over time; there are many unknowns in Tolo and more planning is required; Ashland requires planning and coordination of facility design, construction and RVTD services.

Survey:

Jay Harland handed out a 3-page survey and asked TAC members to complete them. He invited people to ask questions of CSA Planning, REMI Northwest, RVTD or to discuss the questions with other TAC members. After TAC members submitted completed surveys, Kelly Madding, TAC chair, said, "I hope the RVTD Board was duly impressed that the staff has put forward the effort to do this work. It's a great planning tool. This model allows planners to make quasi-quantitative decisions. You did a great job putting this together and making it understandable. Embarking on this is really

progressive.” Shirley Roberts, ODOT grant manager, said the project was unique for TGM projects because it does not result in an adoptable ordinance. She said, “It’s the starting point to inform future decisions.” Kelly Madding added, “It is a valuable tool. It allows planners to put in different inputs and gives a snapshot in time.”

TAC Questions about Cost Model: In response to TAC questions about adjusting for inflation, Alec Miller demonstrated how adjusting the model to show 2020 dollars automatically adjusts costs for all the geographic areas. Paige Townsend added that the planner can adjust the cost per mile to account for increasing costs of providing service, such as fuel. To demonstrate this Alec used a cost per mile of \$7.50 to show that costs adjust accordingly. Vicki Guarino asked whether the boundary study used state population forecasts for the Medford urbanized area. Alec Miller explained that the CSA Planning/REMI Northwest team needed to forecast population more precisely than by using the state’s linear methods, which are not sensitive to land use changes. The CSA Planning/REMI Northwest team analyzed every parcel in the RVTD boundary and potential expansion areas. The analysis took into account whether a lot was buildable or not buildable. As a result of this detailed analysis, the team forecasted a population of 187,000 by 2030. If it becomes evident that the population is growing faster than this projection, RVTD would have time to make the necessary adjustments to continued qualifying for federal funding that’s tied to population. Federal funding known as 5307 is tied to the population in the RVTD district, not the population in the MPO. Vicki asked whether the population for RVTD is tied to the Medford Urbanized area, the MPO or the entire District. CSA confirmed that the population is tied to the district.

Next Steps and Next Meeting:

April 13 will be the next TAC meeting and the final in the series. It will be held at 9:30 am Wednesday, in the RVTD conference room, 3200 Crater Lake Avenue. The TAC will discuss the draft boundary study document, which will consist of an 8- to 10-page summary of the project with Technical Memos attached as appendixes. The maps will be published separately in an atlas. Results from the survey will also be presented. In June, RVTD will hold an open house to present the boundary study information to the public.

5.5 CAC MEETING MINUTES



MINUTES: Citizens Advisory Committee Meeting #1
August 18, 2010, 6 to 8 pm
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

CAC members in attendance: Al Willstatter, citizen, William Hering, citizen, Greg Holmes, 1000 Friends of Oregon, David Lohman, RVT legal counsel, John Watt, Chamber of Commerce, Ron Fox, SOREDI, Cindy Dyer, ACCESS, Justin Hurley, RVMC, Mike Montero, Montero and Associates.

In the audience: Kay Harrison, Central Point.

Absent: Leigh Johnson, Harry and David

Project team in attendance: Shirley Roberts, ODOT TGM contract manager, Paige Townsend, RVT senior planner, Jon Sullivan, RVT associate planner, Jay Harland, CSA project manager/principal, Mike Savage, CSA GIS analyst, Melissa Stiles, CSA public involvement, Alec Miller, senior economist REMI Northwest.

Introduction and background:

Julie Brown, RVT general manager, thanked the CAC members for participating in the district assessment. She spoke by teleconference from a DHS conference in Gearhart. After CAC members introduced themselves, RVT Senior Planner Paige Townsend discussed the need for the study, especially in light of recent development outside the RVT boundary, including in White City (Amy's Kitchen) and Ashland (Croman Mill Site). She noted the high caliber group of people around the table and welcomed their input. The district boundary study is made possible by a TGM grant, which is a sponsored by DLCD and ODOT. RVT will provide a local match for the grant. Shirley Roberts of ODOT serves as contract manager. It's a trial project that shows foresight on the part of ODOT and RVT. It could set a precedent for similar grants to help districts stabilize funding through a boundary analysis in the context of planning for future population and employment growth.

Project overview and strategy:

CSA Project Manager Jay Harland discussed the project tasks and goals outlined in the scope of work. This is not a land use planning exercise but an assessment of a taxing district boundary; therefore, the project is not tied to certain planning definitions. It's about boundary, not about service routing. The boundary was established in 1975 – this project asks should it change and where should it change. Here is a project summary:

Task 1/Technical Memo #1: Forming of the TAC/CAC and preparing a draft study area. A goal of this meeting is for the CAC to reach consensus about the draft study area presented in Technical Memo #1. It's important to solidify the study area now because adding lands to the study area later would be costly in terms of research time.

Task 2/Technical Memo #2: This provides the regulatory framework, the rules of the game. It covers the laws and regulations that will guide the project.

Task 3/Technical Memo #3: The existing land use conditions; what is built now and what's planned to be built.

Task 4/Technical Memo #4: Transportation projects on the horizon that may affect the boundary study.

Task 5/Technical Memo #5: Future land use conditions. This will require robust economic modeling, asking good questions and making predictions.

(Note: Tasks 1-2 will be covered in CAC Meeting 1 and Tasks 3-5 will be covered in CAC Meeting 2.)

Task 6/Technical Memo #6: The funding analysis will be completed by REMI Northwest Chief Economist Alec Miller, who takes a conservative approach to funding options.

Task 7/Technical Memo #7: We will establish criteria for district inclusion. We will have several scenarios, including a do nothing option. The CAC will check for blind spots, areas that may have been missed in the initial analysis; CAC members bring different perspectives, questions and ideas to the table.

Tasks 8-9/Technical Memos #8 and #9: What will the proposals look like on the ground; maps of the scenarios.

Task 10/Technical Memo #10: This task bundles the technical memos and TAC and CAC recommendations into a final report for the RVTB Board. We will present a draft document for the district boundary assessment.

Task 11/Contingencies: Ten percent of the budget is reserved for investigating research opportunities. We will keep a bucket list of "what ifs" that fall outside the project scope for further study which we can use with ODOT's blessing. This will prevent the project from getting boxed in or unresponsive to TAC and CAC feedback.

Governance: electing a chair:

John Watt volunteered to serve as chair and Ron Fox volunteered to serve as vice chair. The CAC members unanimously agreed to appoint John Watt as chair and Ron Fox as vice chair.

Discussion of Technical Memo #1

CSA GIS Analyst Mike Savage discussed the two draft study areas, rural and urban. CAC members asked about funding in urban versus rural areas. RVTB responded that it serves seven cities with urban money, which comes from a federal source. RVTB does not receive rural funds, which come from a state source. CAC members asked whether Eagle Point could receive rural funding and RVTB responded that due to their population size they would be eligible. RVTB and CSA explained the population threshold which influences federal funding. When RVTB reaches 200,000 in population, federal funds will dramatically decrease. Currently, there are about 156,000 people in the urbanized area. CAC member Al Willstatter

asked whether urbanized areas would change in the next US Census results and CSA responded yes. The US Census results define whether to include Eagle Point, Gold Hill or Rogue River in Medford's urbanized area. Greg Holmes asked about the finger-shaped line on the map near Jacksonville. CSA responded that it was the result of a few houses on Highway 238 just outside of Jacksonville. Cindy Dyer asked why TM#1 mentions Grants Pass. RVTD responded that Josephine Community Transit District and RVTD have discussed ways to connect the two communities by transit, such as a shuttle that would stop at the Front St. Station in downtown Medford but the proposal raised unanswered questions about governance and funding. CSA responded that the memo addressed Grants Pass as an area that could be analyzed in the future. CSA and RVTD explained that when the district boundary reaches a population of 200,000, federal funding for operations plummets. Currently the district boundary population is about 156,000; it is expected to reach 200,000 by 2030.

CAC members asked about providing service to rural areas and learned from RVTD and CSA about the costly ADA requirements that accompany rural service. CAC members asked about operating costs for Valley Lift. RVTD's Julie Brown said Valley Lift accounts for approximately one-third of the operating cost or about \$1.2 million annually. It costs the district \$23 per ride while riders pay \$4. Al Willstatter asked about coordinating with private sector vans run by senior centers. Paige Townsend said that RVTD has tried to coordinate but many agencies consider RVTD as the primary transportation provider even when private van service is closer and more economical to operate.

Action:

John Watt asked the CAC members if they had reached consensus about the draft study area. There was no discord with respect to the study area as proposed by consultants.

Discussion of Technical Memo #2

CSA explained the regulatory framework, including Oregon Revised Statute 198 which governs special districts and ORS 267 which uniquely applies to RVTD. It authorizes RVTD to collect ad valorem taxes at a rate of .17/\$1,000 of assessed value with a maximum threshold of .50/\$1,000 of assessed value. Another statutory provision is the transportation district's ability to recreate itself with a new tax rate, reforming the organization and changing the district's permanent tax rate. Like most other funding options, this one would require a legislative act or a vote of the people and possibly a majority turnout. The advantage to this option is that if the vote fails, the district remains with its current structure. Another statutory provision for RVTD is the ability to create taxing zones with varying tax rates. A corporation might want to be included in a higher taxing zone to provide better access to transit lines for employees. CSA and RVTD legal counsel will research this further.

Jason Hurley asked the CAC to consider a payroll tax; cities with a payroll tax have no transportation funding issues. RVTD general manager Julie Brown said the district has been looking at it. CSA Project Manager said the payroll tax will be included in the funding analysis. Mike Montero said from the development perspective, there is economic benefit to

thriving transportation districts. For example, it cost \$6,000 to build and maintain a parking space for a car. Such costs would help offset tax rate changes. Ron Fox said a strong public transportation system provides businesses with access to labor. Paige Townsend discussed the community benefits from RVTD: improved air quality, reduced congestion and an economy strengthened by businesses relocating here because of available transportation. Kay Harrison agreed it is important to look at the community as a whole to see the benefits of public transportation. Al Willstatter asked about the possibility of school districts buying passes for students to ride RVTD buses.

Finally, TM#2 considers regional planning that might impact the RVTD boundary study. In Oregon, growth is contained within urban growth boundaries and to some exception lands. In Southern Oregon, generally development occurs from Phoenix to Medford and in White City. These are truly urban areas with employment concentrations. The Regional Problem Solving exercise provides for growth over the next 50 years for cities and Jackson County.

Next Meeting:

The next CAC meeting will be held at 6 pm Wednesday, October 20, in the RVTD conference room, 3200 Crater Lake Avenue.



MINUTES: Citizens Advisory Committee Meeting #2

October 20, 2010, 6 to 8 pm

ODOT TGM Project 3C-09

Rogue Valley Transportation District

3200 Crater Lake Avenue, Medford, OR 97504

CAC members in attendance: Al Willstatter, citizen, William Hering, citizen, Greg Holmes, 1000 Friends of Oregon, Leigh Johnson, Harry and David, John Watt, Chamber of Commerce, Ron Fox, SOREDI, Cindy Dyer, ACCESS, Mike Montero, Montero and Associates, Connie Skillman, RVTD Board.

In the audience: Bill Skillman, Ashland.

Absent: Justin Hurley, RVMC, Becky Snyder, Rogue Valley Manor, Dave Lohman, RVTD legal counsel

Project team in attendance: Shirley Roberts, ODOT TGM contract manager, Julie Brown, RVTD general manager, Paige Townsend, RVTD senior planner, Jay Harland, CSA project manager/principal, Mike Savage, CSA GIS analyst, Melissa Stiles, CSA public involvement, Alec Miller, economist, REMI Northwest.

Introduction and Approval of Minutes:

RVTD General Manager Julie Brown announced the loss of CAC Member Steve Hauck, a skilled, courageous and dedicated transit advocate passed away on September 23, 2010.

Mike Montero made a motion to approve the August 18, 2010 minutes and Al Willstatter seconded the motion. Chair John Watt called for a vote and the CAC unanimously agreed to adopt the Meeting #1 minutes.

Discussion of Technical Memo #4:

CSA Planning Project Manager Jay Harland reviewed transportation projects that may impact routing or district boundary changes. The Highway 62 Corridor, for example, could move traffic off the highway and provide more opportunity for transit. Another project is the Fern Valley Interchange, which provides opportunity for RVTD and ODOT to work together on transit-minded design. Fern Valley is near the geographic center of the district but has no service. County projects include Table Rock Road improvements and the extension of Foothill to Atlantic Avenue in White City. CAC Member Mike Montero suggested adding to the list changes to Foothill from Hillcrest to Delta Waters. City projects include Siskiyou Boulevard and Tolman Creek and Mistletoe and Tolman Creek in Ashland, traffic calming

projects on Highway 99 in Central Point, Parking to Third Street extension and Third to Highway 99 extension in Phoenix, West Valley View Master Plan and Rogue River Parkway to Talent Avenue extension in Talent and Coker Butte Highway 62 intersection and Owens Drive to Foothill extension in Medford. The Ashland project will result in a route transfer to a new street but timing is dependent on many factors and will be unpredictable. Making projects mesh for transit and transportation is a challenge. Twin Creek TOD in Central Point, for example, has street widths appropriate for pedestrians and bicyclists but too narrow for buses. CAC Member Mike Montero, who serves on the MPO, said funding for Mistletoe is four months away while funding for Talent Avenue is number one in the 2014 STIP.

Jay Harland discussed Map 5, which shows planned projects through 2034. He reviewed changes that would impact bicycle and pedestrian systems, including sidewalks planned on Hersey Street in Ashland, Third Street in Jacksonville and Mace Road near Howard Elementary in Medford. The Bear Creek Greenway expansion from Central Point to Rogue River is an off-street project that could add a recreation component if cyclists or walkers ride the bus to access portions of the greenway, for example. He discussed Map 4, which shows long range plan service expansion scenarios inside the current RVTB boundary. Map 4 shows service expansion scenarios from RVTB's long range plan, which prioritized projects assuming a static district boundary.

CAC Members suggested adding to the off-street project list, the Larsen Creek Greenway, which will eventually connect North Phoenix Road to the Bear Creek Greenway, and the urban trail strategy which would connect Chrissy Park to the Medford Sports Park.

Discussion of Technical Memos #3 and #5:

Jay Harland reviewed the importance of land use in district boundary planning. When population and jobs increase, demand for transit service increases. When population, jobs and private property investment increase, the result is more transit revenue per mile. CSA Planning created four, mutually exclusive categories and assigned a category to every parcel. The four categories are Urban Growth Planning, Rural-Enduring, Urban Built and Urban Fully Planned. The Table 4 summary shows that more than half of the acreage in the study area is Rural-Enduring, with barns accounting for much of the 20.4 million square feet of built area. Jay Harland pointed out four special areas of the analysis categories depicted on Map 1: Croman Mill Site in Ashland; West Main TOD; Northeast Medford Employment Planning area of Highway 62 near airport; Northeast Medford TOD. Map 2 shows existing population and employment lands. CSA used the parcel as the unit of analysis because RVTB is a taxing district. Because there is no data that allocates employment and population to individual lots, the team used the U.S. Census data to look at tracts for population. For employment data, the team relied on knowledge derived from analysis performed for Economic Element and Housing Element updates for the City of Medford and data from Oregon Labor Market Information System. Map 3 shows the area fully built as planned. Table 6 shows the result of the analysis: with full build out. The existing transit would serve nearly 80 percent of employees within a half-mile but only 40 percent of residents, making it difficult for riders to get home from work. In conclusion, half of the study area consists of large rural areas, with Eagle Point and the western edge of White City being the only urban areas outside the

boundary; existing transit routes adequately serve current conditions geographically; population growth is planned to be located further from existing routes.

CAC Members noted Oregon's increased interest in roundabouts and asked about impact on transit. Jay Harland stated roundabouts have design challenges for buses. Paige Townsend said RVTB buses can get around the Highland Avenue roundabout but sometimes use the apron in the middle. She noted there is a pedestrian safety issue with roundabouts. Bus stops work best at intersections to encourage riders to use crosswalks. But with roundabouts, there is no intersection. CAC Member Mike Montero encouraged RVTB to get involved in state-level discussions about roundabouts.

CAC Member Al Willstatter stated he was gratified to see the high percentage of population served by existing routes. He recommended RVTB become involved in planning efforts in the cities and communities within the RVTB district. Jay Harland noted the Technical Advisory Committee for the district boundary study includes a representative from each community. The city representatives will be familiar with RVTB boundary issues when the RVTB Board continues public policy outreach. CAC Member Al Willstatter asked about impact on the RVTB district boundary if White City were to incorporate. Jay Harland responded there would be no impact unless White City reversed its annexation to the district.

CAC Member Ron Fox asked why the indicator for adequate distance to a bus stop was a half mile rather than a quarter mile. Paige Townsend responded that the Federal Transit Administration determined that a half mile is just as effective as a quarter mile for riders ages 5 to 85 with or without limitations such as wheelchairs. Jay Harland stated the formula assumes a direct pedestrian or bicycle connection. CAC Member Greg Holmes commented that one half mile to a corridor is not the same as one half mile to a bus stop and probably the formula overstates the population that would be served.

Discussion of Technical Memo #5

Technical Memo #5 focuses on urban growth planning, the first of the four categories created for this analysis. Tech Memo #5 assumes the adoption of Regional Problem Solving. Most of the Urban Growth Planning lands are Regional Problem Solving urban reserves. The team used three factors for selecting urban growth planning lands: is the land included in RPS; how steep is the land; and how close to roadways. Future parks were placed throughout residential areas and future residential was placed near arterials. On Map 6, which shows future population and employment, employment growth is projected for the Tolo Road area in the north and Fern Valley in the south while population growth is projected for Eagle Point. Table 6 shows with full build out in 50 years, 80 percent of employment lands will be within a half mile of a bus stop. In summary, Eagle Point is the only significant existing population center outside the boundary and one of two growth areas. The other growth area is in East Medford, which is inside the district boundary but has no transit service. Other summary points are: White City is the only significant area with existing employment land outside the district boundary; Central Point has a small area designated for growth but outside the RVTB boundary and Jacksonville and Ashland have small exception areas that may result in

growth. Also of interest, Ashland has an area in the south where the RVTB bus turns around outside the district boundary.

Next Steps:

The detailed analysis in Technical Memos #1 through #5 will serve as the building blocks to support policy choices outlined in Technical Memos #6 through #9. The policy choices will be backed by the spatial work and economic modeling. CAC Member Al Willstatter asked about policy implications. Jay Harland responded that CSA built models that allow for creating scenarios such as what happens by adding Eagle Point or Western White City to the district boundary or by decreasing bus stop distance indicators to one-quarter mile. The data tables and models are tools to find answers. Jay Harland invited CAC members to send questions or ideas by email to the CSA analysis team.

Paige Townsend reviewed how RVTB and Eagle Point are mutually involved in planning processes. David Hussell, city administrator, and Bunny Lincoln, planning director, represent Eagle Point on RVTB's Technical Advisory Committee and Paige Townsend represents RVTB on the Technical Advisory Committee for Eagle Point's TSP update. RVTB General Manager Julie Brown discussed recent conversations with Eagle Point and Shady Cove mayors about providing transit for Upper Rogue residents. RVTB is the governing agency to receive transit money in Southern Oregon. RVTB may contract out to provide transit services to areas outside the district through 5311 funding. However, funding options could change. For example, U.S. Census tracks of 2013 could result in the creation of new urban areas and the loss of 5311 funding. REMI Northwest Economist Alec Miller said there are dozens of moving parts involved in funding issues. CAC Chair John Watt asked about the committee's role. Jay Harland responded the committee will be asked to give ideas about boundary changes. REMI Northwest will build spreadsheets committee members can use to visualize implications of boundary changes.

CAC Member Ron Fox asked about service to East Medford, an area within the district boundary but without transit service. Julie Brown responded that service to southeast Medford was restored in April 2010 and has seen increasing ridership. RVTB has plans to provide additional service once funding becomes available and encouraged CAC Members to read RVTB's five-year plan, which is on RVTB's website and will be posted on the CSA Planning project website. She continued by saying that everyone who lives in the Rogue Valley air quality attainment area benefits from transit service because buses burn compressed natural gas, a cleaner fuel, and reduce vehicle trips.

Next Meeting:

6 pm Wednesday, December 15, in the RVTB conference room, 3200 Crater Lake Avenue.



MINUTES: Citizen Advisory Committee Meeting #3
December 15, 2010, 6:30 to 8 pm
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

CAC members in attendance: William Hering, citizen, Justin Hurley, RVMC, Greg Holmes, 1000 Friends of Oregon, John Watt, Chamber of Commerce, Ron Fox, SOREDI.

Absent: Al Willstatter, citizen, Becky Snyder, Rogue Valley Manor, Leigh Johnson, Harry and David Dave Lohman, RVT D Legal Counsel Cindy Dyer, ACCESS, Mike Montero, Montero and Associates, Connie Skillman, RVT D Board

Project team in attendance: Paige Townsend, RVT D Senior Planner, Jon Sullivan, RVT D Associate Planner, Jay Harland, CSA Project Manager/Principal, Mike Savage, CSA GIS Analyst, Melissa Stiles, CSA Public Involvement, Alec Miller, Senior Economist REMI Northwest.

Introduction:

The focus of TAC Meeting #3 is the revenue analysis and criteria for boundary conclusion, map reviews of candidate regions for boundary inclusion and chart reviews of revenue forecasts related to boundary changes.

Discussion of Technical Memo #6:

In Technical Memo #6, REMI Northwest Senior Economist Alec Miller showed RVT D revenue forecasts using the variables of payroll tax and property tax as they relate to boundary changes. The study excluded capital funds such as the \$2.4 million in federal stimulus money received by RVT D in 2009 and focused on operational revenue in three fiscally-important areas, of Eagle Point, Tolo and White City. Eagle Point was selected for study because it is outside the RVT D boundary and because regional plans forecast a high population growth; Tolo was selected because regional plans forecast high employment growth, although only a few businesses exist today. Western White City was selected because it is adjacent to an RVT D service area and on RVT D's priority list for extending service. Density is a central issue to the consideration of transit revenue. Map 2 on Page 13 of the memo indicates RVT D is well set up for a payroll tax because RVT D already provides service to employment areas. John Watt said he was pleased to learn of RVT D's decision to reduce bus fares. Paige Townsend said RVT D hopes ridership will increase as a result of fare changes.

Property Tax: Table 5 on Page 8 of the memo shows the impact of property tax revenue for the three candidate areas for district inclusion. The spreadsheet uses a range of property tax rates from 17

cents per \$1,000 of assessed value, the district's current tax rate, up to 50 cents per \$1,000 of assessed value. Rates above 17 cents per \$1000 could be achieved through district reorganization. If annexed, Eagle Point could generate \$230,000 in property tax revenue, which is expected to nearly pay for service. Western White City would generate \$15,000, an amount offset by the fact that RVTD plans to serve an adjacent area anyway. Table 5 shows revenue that RVTD would receive upon annexation of the areas into the district. Table 6 shows forecasted growth of annex-related revenue such as bus fare as ridership increases and advertising revenues, as bus service expands. Tolo is predicted to be the fastest-growing employment area in the region. The area presents a different financial dynamic because it is located more than a mile away from existing routes. The \$64,000 in generated property tax revenue would likely not pay for the cost of extending regular service.

Payroll Tax: Table 7 on Page 9 of the memo shows potential revenue from payroll tax, ranging from 1/10 to 6/10 percent, or \$33 to \$199 in annual employer costs per person. The calculations are based on a \$33,000 average salary in the region. A payroll tax is paid for by employers, similar to a worker's comp tax. At a relatively small cost for employers, the tax would generate significant revenue for the district. The revenue generated is in the range of what the service would cost. For example, White City would generate a low amount of revenue but would be the easiest to serve because of its proximity to existing routes. The White City route would benefit employers such as Amy's Kitchen by providing public transportation for employees. Ron Fox said a payroll tax combined with a property tax would be a burden for employers. REMI Northwest responded that a payroll tax provides another source of revenue but does not solve all revenue problems. RVTD has learned from observing other districts in Oregon of the risks of adding a payroll tax while dropping property tax. A payroll tax is volatile because it varies with business cycles, is tied to employment rates and is impacted by the current recession. But a property tax and a payroll tax together could provide a stable funding source for RVTD. Table 9 on Page 12 shows a payroll tax providing \$1.7 million annually to the district budget.

John Watt said if RVTD considers a payroll tax, the Chamber of Commerce and SOREDI will bring to the discussion table the background of having served on the Citizens Advisory Committee. In response to a question about the CAC's function, Jay Harland said the CAC will offer feedback about boundary change scenarios. CSA Planning and RVTD will send a survey to CAC members in January. CAC members are welcome to send comments by email or communicate directly by telephone to CSA Planning and REMI Northwest. Greg Holmes asked when RVTD would consider boundary changes again in the future; this information could impact the survey answers. Paige Townsend said this is the first boundary change consideration in the district's 35-year history. The next boundary analysis might coincide with Regional Problem Solving, a 50-year growth plan. The CAC discussed the concept of deferred annexation introduced in Technical Memo #7. CAC members said deferred annexation seems similar to adding property to the urban growth boundary but withholding services until the property is annexed into the city.

Cost for Service: CAC members discussed the need to calculate the association of service costs with the areas considered for boundary expansion. Alec Miller said it would be useful to study the other side of the ledger. That could be accomplished in a separate memo; Technical Memo #6 focused on operation revenue only. Paige Townsend agreed that cost analysis is the next step of the process. At the end of the boundary study, RVTD staff will calculate costs, by creating a schedule for drivers and factoring in costs for fuel, mechanics, field supervisors and preventative maintenance.

Contract Service: TAC members discussed the option of Eagle Point contracting with RVTDD to receive transit service. Eagle Point could do this by forming its own district, levying taxes to pay for the service and contracting with RVTDD to provide for the service. The advantage of this option is a higher property tax rate for the new district. In a recent RVTDD survey through the Eagle Point water bills, more than half of the residents said they would be willing to fund public transportation and 49 percent said they would use it. Julie Brown said Eagle Point's recent inclusion into the Metropolitan Planning Organization could result in Eagle Point not qualifying for federal 5311 funds, which would have provided for contract services. Paige Townsend said additional challenges with a district funded service would be determining a cost effective south terminus for a route and how it meets up with RVTDD's system. Another option is for Eagle Point to purchase service out of general funds allowing greater flexibility and ultimately allowing Eagle Point to become part of RVTDD's district at a later date.

Population Threshold: Paige Townsend of RVTDD said there is a need to increase operational funds because RVTDD's federal funds require a 50 percent match. Furthermore, federal 5307 funds evaporate when the region's population reaches 200,000. In response, CSA Planning referenced information in Table 4 on Page 8 of Technical Memo #6 that shows the population will reach 187,445 by 2030, well below the threshold. This estimate includes the potential growth areas of Eagle Point, White City and Tolo. The question was raised whether forming a separate district for Eagle Point would impact US Census population designations. CSA Planning suggested this would be an issue for further research.

Discussion of Technical Memo #7

Eagle Point: CSA Planning Project Manager Jay Harland discussed the three geographic areas that matter from a financial standpoint. Technical Memo #7 outlines three service timing scenarios of Immediate, Long-Range and Programmed. Immediate service would provide for a fixed route to the new area within 24 months. Long-range service planning recognizes the area as appropriate for service as funds become available. Programmed service would provide fixed route within 2 to 4 years. In review, Tech Memo #2 described two ways to change a district boundary as being by a change in organization or by annexation. The process of annexation starts with the RVTDD Board, requires a City Council resolution and a public hearing before the Jackson County Board of Commissioners. If Eagle Point enters the district through annexation, the property tax would remain the same. If Eagle Point enters the district through reorganization, the property tax rate could be increased to help pay for expanded services. In either scenario the Technical Memo categorizes Eagle Point service as immediate.

West White City: West White City is listed in RVTDD's Tier One for service expansion but it stops at the current district boundary. It could be extended beyond to Antelope Road for a relatively low cost. RVTDD has considered a White City-Central Point connection. CAC members discussed service districts separated by rural roads and agricultural land and whether that land should be included in annexations.

Tolo: The possibility of a van pool was discussed for the Tolo area. Van pools are funded by a federal grant with a 50 percent employer match. Regional planners anticipate Tolo will have rapid and expansive growth with 200,000 people by 2030. However the industrial employment predicted for the

area, is not as conducive to transit as forecasted employment campuses elsewhere in Jackson County.

Central Point and Ashland: Map 10.N.CP shows a small, developed area by Gebhart Road that's in the Central Point city limits but outside the RVTD district. Such areas could be annexed at the time a property owner submits a land use application. It would be similar to land use applications that require a property owner to seek annexation into a fire district. Greg Holmes said he commends this idea. Map 10.SE.Ashland shows another area that receives benefits without being in the district. It includes a public golf course that the city intends for affordable housing someday. This area is a logical place for annexation. It would also provide procedural practice since RVTD has done few, if any, annexations.

CSA Planning discussed the triple bottom line, which is how public transportation benefits the whole community by reducing vehicle trips and improving air quality. So far, the boundary analysis has been similar to unraveling a knot; the revenue components had to be untangled before research could expand to service costs and other issues.

Next Steps: Technical Memo #8 will address infrastructure and roads necessary for the boundary scenarios. CSA Planning and REMI Northwest will work with RVTD to calculate estimated costs for providing service to the target areas (Eagle Point, White City and Tolo). There is contingency money in the budget reserved for this study with ODOT's approval. In January, CSA Planning and RVTD will send a survey to CAC members asking for opinions about boundary change scenarios described in Tech Memos #6 and #7. Survey results will be presented at the February meeting.

Next Meeting:

The next CAC meeting will be held at 6 pm Wednesday, February 16, in the RVTD conference room, 3200 Crater Lake Avenue.



MINUTES: Citizen Advisory Committee Meeting #4
March 15, 2011, 6 to 8 pm
ODOT TGM Project 3C-09
Rogue Valley Transportation District
3200 Crater Lake Avenue, Medford, OR 97504

CAC members in attendance: William Hering, citizen, Al Willstatter, citizen, Greg Holmes, 1000 Friends of Oregon, Cindy Dyer, ACCESS, Mike Montero, Montero and Associates.

Absent: John Watt, Chamber of Commerce, Ron Fox, SOREDI, Connie Skillman, RVTD Board, Becky Snyder, Rogue Valley Manor, Leigh Johnson, Harry and David Dave Lohman, RVTD Legal Counsel, Justin Hurley, RVMC

Project team in attendance: Julie Brown, RVTD General Manager, Paige Townsend, RVTD Senior Planner, Jon Sullivan, RVTD Associate Planner, Jay Harland, CSA Project Manager/Principal, Mike Savage, CSA GIS Analyst, Melissa Stiles, CSA Public Involvement, Alec Miller, Senior Economist REMI Northwest.

Introduction:

Paige Townsend gave an update of the progress since the last meeting. We took a three-month break so we could determine cost estimates for services in the key areas. CSA Planning used supplemental ODOT funds and created a cost model, a planning tool to answer questions about whether inclusion would be feasible from revenues and cost standpoint. Also RVTD and CSA met with the City of Eagle Point to discuss their interest in pursuing transit service. Part of the purpose of this study was to determine if the revenues from the property in and around the city would support the cost to provide service. Now that we have the cost model, we know it's reasonable from a cost standpoint. When and if Eagle Point approaches us about joining the district, we will be ready. At this point the city needs to decide if they want to become part of the district and take the necessary steps toward that goal. CAC Member Al Willstatter commented that historically Eagle Point would have joined the district if not for the inability to make it pencil out financially. Mr. Willstatter said with all the building that has occurred in recent years and with WalMart and the golf course, the ballgame has changed. Paige Townsend said that although current relationships are strong between RVTD and the City of Eagle Point, some negative memories remain. It may take time for them to be resolved. Al Willstatter asked about the possibility of rural funding. Paige Townsend said Eagle Point is not eligible for rural funding because Eagle Point is now part of the MPO. It is RVTD's hope that the transit district gets recognized for approaching and reaching out to Eagle Point. Now it's up to Eagle Point to indicate an interest in joining the district.

Jay Harland reviewed the types of boundary changes: change of organization (a wholesale change), a ballot measure in which the voters decide an annexation, which starts with the RVTB board or with the property owner. None of these types of boundary changes would be difficult to accomplish. Al Willstatter said years ago County Administrator Burke Raymond structured an agreement to bring into the district Emigrant Lake and Mount Ashland so RVTB could provide service to the areas. There was a discussion about Gold Hill's recent interest in writing a petition to the RVTB Board to be included in the district. The RVTB Board could deny the petition. CAC members indicated if the costs to expand service to Tolo do not pencil out, neither would the cost to provide service to Gold Hill. CAC Member Cindy Dyer asked why Tolo would be harder for annexation. The team responded because the area has more rural properties, the district would need to convince farmers of the need for transit. Al Willstatter asked if SDCs collected from cities could be used to fund transit. The team said SDCs could only be used for road improvements.

Cost Model

Alec Miller of REMI Northwest explained how he broke down the cost components in digestible pieces. Several variables determine total costs for operating RVTB:

- Cost per mile of fixed route operations
- Geographic area to be served, route length
- Frequency of service, which is defined as the number of times a bus stop is served by transit and could include multiple routes. For example, there is 15 minute frequency in Ashland due to the Route 10 and Route 15 serving the same area.
- Headways, which are defined as how many times the bus leaves the terminal downtown
- Duration of service in the day. Current service is 6:00 am to 6:30 pm for most routes; extended service would be 4 am to 10 pm
- Number of days served in the year: 255 currently or 312 with Saturday service
- Peak service and express service: trips added during commuting hours
- Deadheads: trips from the bus barn to the downtown terminal or first stop

Revenue can also be separated into specific factors: geographic area; population and employment; level and type of taxation; federal and state funding programs; and business revenues including farebox and advertising.

	Existing Service Levels	Saturday Service	Extended Hours	Total Cost	Increased Revenues
Existing Routes		\$ 924,791	\$ 1,511,782	\$ 2,436,573	
West White City Expansion	\$ 30,973	\$ 5,242	\$ 14,295	\$ 50,509	\$ 32,172
Eagle Point Expansion	\$ 142,681	\$ 24,146	\$ 65,853	\$ 232,679	\$ 219,286
Tolo Expansion	\$ 419,163	\$ 70,935	\$ 193,460	\$ 683,558	\$ 63,827
Total Marginal Cost	\$ 592,816	\$ 1,025,114	\$ 1,785,389	\$ 3,403,319	\$ 315,285
Total Costs	\$ 5,606,741	\$ 6,631,855	\$ 7,392,130	\$ 9,010,060	

REMI Northwest Table: Technical Memo 6

The route cost planning model calculates the approximate costs and revenues that result from specific choices. Alec Miller used the table above to explain examples of the findings. The model

shows if RVTB provides service to Table Rock Rd. a loop to Amy's Kitchen would cost approximately an additional \$30,973. If RVTB adds Saturday service, the cost would increase by \$5,242. If RVTB extends hours from 4 am to 10 pm, it would add another \$14,295 to the cost. The total cost for all the extra service is \$50,509 yet the increase in revenue generated by the area is \$32,172. There is not enough projected revenue to pay for all of the service in the chart. RVTB would likely have enough revenue to provide 1 hour headways to Amy's Kitchen from 6:00 am to 6:30 pm (\$32,172 in revenue is greater than \$30,973 in cost).

For Tolo, the cost would be \$419,163 yet the revenue generated would be \$63,827. (The Tolo route would consist of an extension from Central Point along Highway 99 and connect to the existing White City route.) Alec remarked that the RVTB Board was impressed with the fact that estimated costs for Tolo were so much more than projected revenues. The table shows the opposite is true for Eagle Point, where projected revenue would be \$220,000 and the projected cost to extend service would be \$143,000; in Eagle Point, project revenue is greater than projected costs.

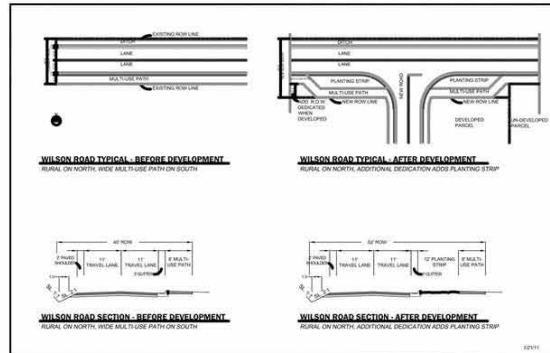
The model can identify the approximate costs of minute changes to the system. The model allows the planner to put in the time of day, number of days and headways and have a discussion about forecasted revenues and costs, Alec Miller explained. This modeling can be done for existing routes and planned routes in RVTB's long-range plan. Paratransit is included in the estimated cost per mile as an overhead, with costs averaged out across the district. (Paratransit service is available for qualifying individuals who cannot use the fixed-route system and is provided by RVTB's Valley Lift service. Service is available within 3/4 mile on either side of a transit route. Public transit providers are required by Federal ADA law to provide equivalent service to persons with a disability.) CAC Member Al Willstatter asked about increasing service during peak hours but decreasing service during non-peak hours. Alec Miller demonstrated that requested scenario on the spreadsheet with 4 peak hour trips and 90 minute headways. The input resulted in similar costs for service. CAC Acting Chair Mike Montero asked about using the model to discuss projected costs with Eagle Point leaders. Alec Miller said yes and demonstrated how the model can be adjusted to reflect 2020 revenue and costs, just as the model can be adjusted to change scenarios that impact costs. CAC Member Cindy Dyer commended REMI Northwest's work on the cost model. RVTB General Manager Julie Brown said the cost model is a planning tool that could be used to demonstrate projected costs of extended or increased services.

Discussion of Technical Memo #9

CSA Planning Project Manager Jay Harland discussed potential boundary changes in four situations: Eagle Point; West White City; Tolo; and Southeast Ashland, North Central Point, West Forest-Gibbon Acres. In Eagle Point, coordination must take place with Highway 62 improvements and in the context of the fact that local streets are constrained by Little Butte Creek and Eagle Point Golf Course. The new Transportation System Plan provided a good inventory of bicycle and pedestrian facilities and street networks and laid a foundation for future planning. The TSP identifies a need for \$100,000 in transit planning. In West White City, it's important to note that Kirkland Road and Avenue G will soon become an extension of State Highway 140. State highways are managed to meet the needs of through traffic, while local streets can better function with the frequent stops required by transit. Technical Memo #9 recommends that RVTB work with Jackson County and the City of Medford on connectivity issues west of Whetstone Creek. Three highways run through Tolo, Highways 140 and 99 and Interstate 5, but only one local street, Blackwell Road. Such factors restrict transit. Eventually

the final portion of the Bear Creek Greenway may be built near Tolo, providing a bike/ped connection from Rogue River to Ashland. Tolo also has potential for van pools from Grants Pass, Rogue River and Gold Hill. In Ashland, Technical Memo 9 recommends transit-friendly designs with the golf course's possible redevelopment into residential use.

Flexible Street Standards: CSA Planning went beyond what the scope of work required by developing a flexible street standard for North Central Point. The concept drawings provide for transit stops on county roads that will become city streets. The drawing demonstrates that 60-foot right-of-way is adequate to provide for transit stops. This would help avoid the public expense of purchasing property for right of way. The proposed flexible street standard provides for 40-foot travel lanes and an 8-foot multi-use path.



CSA Planning's flexible street design from Technical Memo # 9

Technical Memo #9 offers four conclusions. West White City has few challenges for the types of service that would be provided; Eagle Point's new TSP includes a list of transportation projects that support transit development and service over time; there are many unknowns in Tolo and more planning is required; Ashland requires planning and coordination of facility design, construction and RVTD services.

Survey and Next Meeting:

Jay Harland handed out a 3-page survey for CAC members to complete. He invited people to discuss the survey with other CAC members, CSA Planning, REMI Northwest or RVTD. Mike Montero commended REMI Northwest for a job well done on creating the cost model and said he would not have been willing to complete the survey without it. He recommended RVTD give a brief presentation about the district boundary study to the Rogue Valley Area Commission on Transportation.

April 13 will be the final CAC meeting. It will be held at 6 pm Wednesday, in the RVTD conference room, 3200 Crater Lake Avenue. The CAC will discuss the draft boundary study document, which will consist of an 8- to 10-page project summary, with Technical Memos attached as appendixes and maps published separately in an atlas. Results from the survey will also be presented. In June, RVTD will hold an open house to present the boundary study information to the public.