

GTVP: Aviation, Marine and Freight Sub

SAMPLE Outline of Subcommittee Vision and Recommendations

Challenges:

FREIGHT:

- In 2010, the volume of freight moving into, out of, and within Oregon totaled *403 million tons*, and was valued at over \$253 billion. By 2035, Oregon is projected to move *651 million tons* of freight, with a total value of over \$554 Billion.
- This rapid growth in freight demand will require creative multimodal investments and solutions if Oregon's economy is to remain competitive in national and international markets.

PORTS:

- Lack of Port Revolving Fund recapitalization
- O&M Dredging and Jetty Repair
- The current trend of increased vessel size will necessitate multiple improvements at Oregon's ports including dock improvements at both public and private terminals, additional anchorage capacity and stern buoys, and channel width improvements and radii changes.
- Due to departure of Hanjin Shipping and Hapag-Lloyd from Terminal 6, Oregon agriculture companies are increasingly sending goods by rail and truck to other major west coast ports, leading to increased costs.
- Coastal ports, such as the Port of Coos Bay, lack connections with major railway and interstate corridors

AVIATION:

- Phasing out of federal Essential Air Service subsidy
- Industry trend toward larger regional aircraft
- Roadway congestion in the Portland Metro area has a detrimental impact on time-sensitive air freight into and out of the Port of Portland.

FREIGHT RAIL:

- Many of Oregon's shortline railroads face challenges in preserving their infrastructure.
- While freight demand is predicted to grow rapidly, increased rail capacity in Oregon is not a high-priority investment for the major railroad companies

Opportunities:

- Congestion along the I-5 corridor, particularly in the Portland Metro area, will require the state to consider enhancement of alternative trucking corridors, including I-205 and US 97.
- The Columbia River System is well under carrying capacity as compared to similar American inland waterways
- Coastal Ports, including the Port of Coos Bay have capacity for deep draft ships and close access to pacific trade
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Vision:

[OBJECTIVE FOR 10/9 MEETING- BEGIN TO DETERMINE THIS VISION]

DRAFT OUTCOMES/CONCEPTS:

An effective and efficient freight system that serves the needs of the state of Oregon is one that provides for a diversity of modes, including trucking, freight rail, aviation, and marine systems.

FREIGHT in 2045:	<ul style="list-style-type: none">• Oregon has developed a robust and redundant freight network that allows for safe and on-time delivery of goods to market where trucking is the appropriate mode of transport.• Transload facilities and freight hubs exist across the state to facilitate the efficient transfer of goods between freight modes.• Adequate and reliable trucking infrastructure into, out of, and through the Portland Metro area contributes to the region's status as a global center for trade• Meanwhile, freight route enhancements between I-5 and the coast, along Hwy 97, and other areas support a diverse trade economy across the state
AVIATION In 2045:	<ul style="list-style-type: none">• Aviation is a reliable means for high-value and time-sensitive cargo to be delivered across all regions of the state.• The Port of Portland is able to keep up with the growing demand for air cargo, while at the same time enhancements have been made to other airports to better serve air cargo needs across the state.• Oregon is a national hub for the drone industry and a global leader in developing drone technology• Essential air service still exists at all seven of Oregon's commercial airports, and the enhancement of airports across the state provides a diverse portfolio of domestic travel options outside the Portland area• The Port of Portland has expanded its international air service, enhancing Oregon's connections with the global economy.
PORTS In 2045:	<ul style="list-style-type: none">• Necessary investments in ports and marine infrastructure have been made so that the vast majority of export goods produced in Oregon are able to be shipped from in-state facilities• Deep-draft coastal ports meet the growing demand for larger-capacity cargo and container operations. Adequate infrastructure and freight hubs are funded to move needed cargo through these ports.• Port facilities along the upper-Columbia are enhanced to allow goods traveling into and out of Eastern Oregon to be shipped closer to their origin and destination• Investments in dredging, increased anchorage capacity, and channel improvements have been made to the lower-Columbia to allow for an increase in the volume and efficiency of shipping• The Port of Portland is a competitive west coast port for container shipping despite capacity limitations stemming from its inland location
FREIGHT RAIL In 2045:	<ul style="list-style-type: none">• More freight serves the Port of Portland, with a greater percent of this freight arriving and departing by rail• The establishment of freight hubs and transloading facilities moves a large volume of freight onto the rail system, reducing transport costs to Oregon businesses and relieving roadway congestion• Key shortline rail lines are identified and upgraded to serve the needs of coastal ports

Recommendations:

[OBJECTIVE FOR 10/9 MEETING- ADD TO AND/OR REFINE THE THEMES BELOW]

Below is a draft list of recommendations related to Aviation, Marine and Freight Rail identified by this and other subs:

Topic Area	Recommended Action Themes	Brief Description	Notes
Aviation	Manage PDX passenger air service capacity constraints	<i>Develop long-term forecasts for passenger aviation demand in the Portland Metro area, and identify regional airports that can help manage capacity constraints and congestion at PDX</i>	local land use challenges, non-PDX runways currently only long enough for region air service
Aviation	Manage freight air service capacity constraints in Portland area	<i>Develop long-term forecasts for cargo aviation demand in the Portland Metro area, and identify regional airports that can create system redundancy</i>	local land use challenges, non-PDX runways currently only long enough for region air service
Aviation	Work to maintain commercial air service in rural airports	<i>With the loss of federal Essential Air Service subsidies, identify ways to maintain existing commercial air service across the state</i>	The loss of federal Essential Air Service subsidies threaten the ability for rural airports to provide regional service
Aviation	TBD, Combined air cargo and passenger service	<i>identify ways to include air cargo with passenger aviation serving rural airports. Including air cargo could make subsidized passenger service more solvent and respond to industry trends toward larger aircraft</i>	
Aviation	Work to enhance international air service of major airports		
Aviation	Update land use regulations for rural airports	<i>Identify and update land use regulations that create challenges for airports sited outside Urban Growth Boundaries</i>	
Aviation, PPPs	"Through the Fence" Airport operations	<i>Encourage expansion of Through the Fence (TTF) partnerships to help improve airport infrastructure and foster growth in the aviation industry and economic development around rural airports</i>	Among the challenges to TTF are resistance from the FAA, and perceptions of unfair private benefit
Finance, Marine	Enhanced funding for dredging and dock improvements	<i>Fund enhancements, including dredging and dock improvements, which allow marine ports to serve the commodities that are grown and manufactured in Oregon.</i>	
Finance, Multimodal Transportation	Continue investment in Connect Oregon	<i>Greater and continued investment in Connect Oregon and similar programs that fund non-roadway transportation projects and support long-term economic growth and job creation. (Note: fund was extended in 2015 Leg Session: HB 2270)</i>	

Finance, Multimodal Transportation	UGB Expansion Windfall Tax	<i>Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. A portion or all of this fund could be dedicated to non-roadway transportation</i>	
Freight Rail	Rail Tax Credit	<i>A corporate investment tax credit for major railroad projects to encourage infrastructure investments by railroad companies</i>	
Freight Rail, Finance	Preservation and enhancement of short line rail lines	<i>Preserve and enhance short line rail lines, where appropriate, to support alternatives to trucking on constrained highways, and enhance marine terminals</i>	
Freight, Finance, PPPs	Investment in trans load facilities	<i>Invest in trans load facilities and other strategic enhancements that support a mode shift from trucking on congested roadways to freight rail</i>	
Innovation, Freight Rail	TBD, Recommendations around Positive Train Control (PTC)		
Innovation, Trucking	Enhance trucking/port logistics through coordinated information technology	<i>Example: Develop platform (similar to tripcheck) that provides real-time info on port wait times to trucking companies.</i>	
Marine	Develop an Oregon Marine Modal Plan	<i>Enhance the public consensus around the role and importance of marine issues in the state through the development of a marine modal plan and public outreach efforts</i>	
Marine	Strategic enhancement of ports outside Portland Metro Region	<i>Identify coastal and river ports across the state that can help manage constrained cargo capacity and congestion into and out of the Port of Portland</i>	
Marine	TBD: recommendations in response to the loss of Port of Portland container service	<i>TBD, recommendations around how to get container service back to the Port of Portland, or effectively adapt to its loss. Consider recommendations from the 'Oregon Trade and Logistics Initiative'</i>	Consider recommendations from the Trade and Logistics Initiative SRF. See DRAFT "interim freight solutions matrix"
Multimodal	Increase State Highway Fund's bike/ped set-aside	<i>Under state law, 1% of roadway revenue is dedicated to bicycle and pedestrian infrastructure. The 2008 Vision Committee recommended increasing this dedication to 1.5%. This rededication would not increase total revenue.</i>	2008 Vision Committee recommended increasing bike and pedestrian set-aside from 1% to 1.5%. However, this would not increase total revenue but rather redistribute existing between modes

Multimodal	Investment in trans load facilities	<i>Identify and invest in targeted trans load facilities to support the efficient transfer of freight between modes</i>	
Multimodal	Work to shift freight from trucking to rail where possible	<i>Where possible, promote modal shift from trucking to freight rail to reduce congestion and capacity constraints on highway trucking routes</i>	
Multimodal	Expansion of ConnectOregon (Multimodal Fund)	<i>Continue and enhance state lottery revenue dedication to non-roadway transportation. ConnectOregon (Multimodal Fund) is currently funded through this source.</i>	
Multimodal	Create permanent ConnectOregon (Multimodal Fund)	<i>Establish ConnectOregon as a permanent fund. Develop a statewide implementation plan according to a series of established criteria.</i>	
Multimodal	Invest in port drop-sites	<i>Invest in port drop-sites where truckers can unload cargo during off-hours</i>	