

HB 3224 -1 STAFF MEASURE SUMMARY

Joint Committee On Transportation

Prepared By: Patrick Brennan, LPRO Analyst

Meeting Dates: 2/28, 5/11

WHAT THE MEASURE DOES:

Directs the Department of Transportation, the Department of Energy, and the Department of Environmental Quality to collaborate with the City of Salem and mass transit agencies in the city to study the feasibility of developing a rail streetcar system. Requires the agencies to submit findings to interim transportation committees of the Legislative Assembly by January 1, 2025. Sunsets January 2, 2026. Takes effect on 91st day following adjournment sine die.

NOTE - LFO requests that the measure be referred to the Committee on Ways and Means

ISSUES DISCUSSED:

- Past and future population growth in Salem metropolitan area
- Streetcar as potential transit option
- Other cities that have recently instituted streetcar service
- Economic impacts of streetcar development

EFFECT OF AMENDMENT:

-1 Names Cherriots as mass transit agency to collaborate on study and includes community members and business leaders of Salem, as well as economists, on collaborators in study. Deletes references to specific connections for study to consider. Specifies that Cherriots shall submit report. Allocates \$250,000 from General Fund for purposes of conducting study. Deletes effective date.

FIS: Fiscal impact statement issued on measure w/the -1 amendment

RIS: No revenue impact on measure w/the -1 amendment

BACKGROUND:

The City of Portland operates the state's only streetcar system, which was inaugurated in 2001, becoming the first new streetcar system in the United States since World War II. In 2012, the service was expanded to cross the Willamette River in two locations, creating a loop completed in 2015 that spans over four miles and includes 55 stations. The Streetcar is owned by the City of Portland, managed by a nonprofit corporation Portland Streetcar, Inc., and operated by TriMet. The Streetcar is separate and distinct from TriMet's light rail system.

House Bill 3224 requires three state agencies - the Oregon Department of Transportation, the Oregon Department of Energy, and the Oregon Department of Environmental Quality - to coordinate with the City of Salem and the Salem Area Mass Transit District to study the feasibility of developing a streetcar system. The measure specifies that the hypothetical system should connect West Salem with Salem Hospital, Willamette University, and state offices on the Capitol Mall, which would include a crossing of the Willamette River.