

The Cost of Congestion and Economic Futures for the Portland Region



Client

Facts

Period 2006

Project Country

With a growing dependence on broader regional and global markets, the value of transportation connections becomes increasingly important for business competitiveness. To address this concern, the Portland Business Alliance, Port of Portland, Metro, and Oregon DOT collaborated in a unique public-private cooperative effort. The group hired Economic Development Research Group to conduct a study of alternative transportation investment scenarios and their implications for the Portland region's economy over the next 20 years. A particular concern was the impact of growing congestion if there is under-investment in multi-modal transportation solutions, and its stakes for the region's economy.

The study included analysis of the region's economic clusters, the economic dependence on traded industries and transportation connections, and the economic role of the region's port/gateway and hub transportation facilities. Interviews were conducted with executives in all sectors of the economy to identify how their business is affected by traffic congestion. The findings included examples of how congestion had affected the breadth of delivery markets, distribution warehouse locations, inventory levels, shift scheduling, overtime costs and technology worker recruitment.

Transportation and economic models were used to forecast the implications of alternative scenarios for the next 20 years. These included a scenario for currently planned transportation investments and a scenario for an "improved system." The Transportation Economic Development Impact System (TREDIS) was used to evaluate changes in business operating costs, household costs and market access, and implications for future economic productivity, competitiveness and growth. TREDIS was used in tandem with Metro's EMME/2 transportation network modeling system.

The study showed how unchecked congestion could threaten Portland's competitiveness as a major gateway and distribution center for domestic and international markets. It also showed the relative benefits and costs of alternative future scenarios that involved a combination of highway, transit, and non-motorized transportation investments. Finally, it provided an overview of ways in which communities can address congestion through various planning and capital investment projects.

Contact Persons