Transit and the Region's Economic Future

Why transit matters to riders, businesses, communities, and Oregon's economy

November 2026

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Our Region Has Changed

- Remote work has changed commute patterns
- Downtown vacancies have weakened a core transit destination
- People travel at different times and to different places
- Changes in employment and ridership (coupled with inflation) strain transit revenues

Transit Must Respond

- Adapt service to how people live and work today
- Support Central City recovery and access to jobs
- Sustain essential service while we plan with regional partners
- Build a sustainable funding model for the service our region needs

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The Challenge

Without $158 million in additional annual revenue, our budget deficit will force us to cut more than 30% of bus and rail service by 2030.

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TriMet Regional Economic Impact Summary Findings

September 2026

ECO northwest

Study Key Questions

- **Peer performance.** How does TriMet compare with transit agencies serving broadly similar metropolitan areas?
- **Housing feasibility.** How does access to TriMet's public transit services affect the feasibility of future housing development?
- **Cost savings.** How do TriMet services generate benefits to residents in the region?
- **Economic contribution.** How does TriMet contribute to the regional and statewide economy and what is the impact of further service level cuts?

Takeaways

1. TriMet is the highest-ridership system among its western peers and delivers rides at below-average cost per trip.

2. Increasing service cuts could reduce multifamily market feasible capacity by up to half across the region

3. An efficient return on state resources, with economic activity supported by TriMet generating $90 million in annual state revenue compared to $51 million from STIF

4. TriMet's distinctive economic value is regional productivity; service cuts cannot simply be offset by reallocating public spending elsewhere.

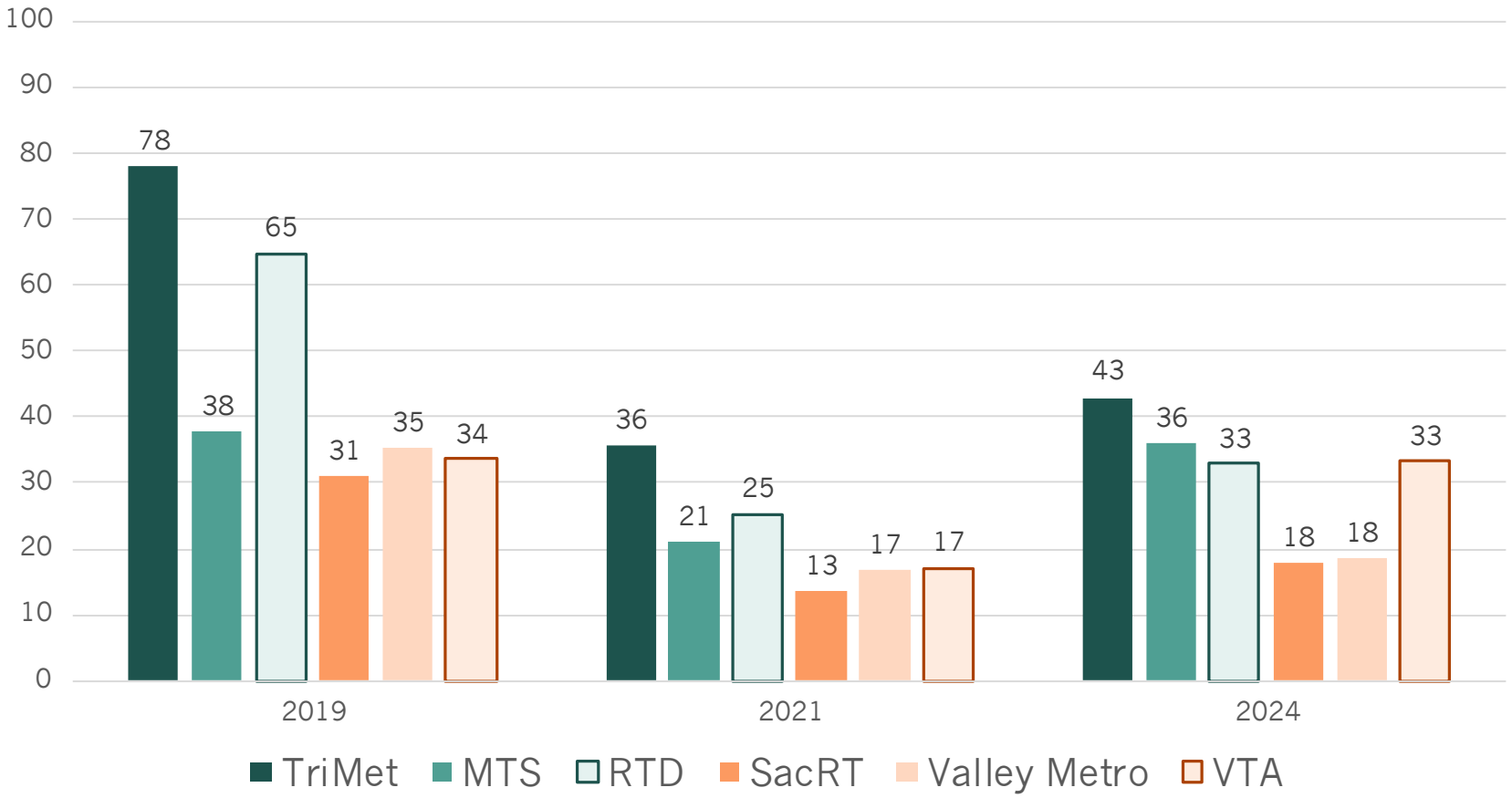
5. The cuts already made have been minimally disruptive; the next increment decreases benefits exponentially, causing lasting economic disruption

Performance

TriMet consistently serves more trips per resident than peers

Average Monthly Unlinked Passenger Trips Per 100 Residents

Across All Service Modes, 2024



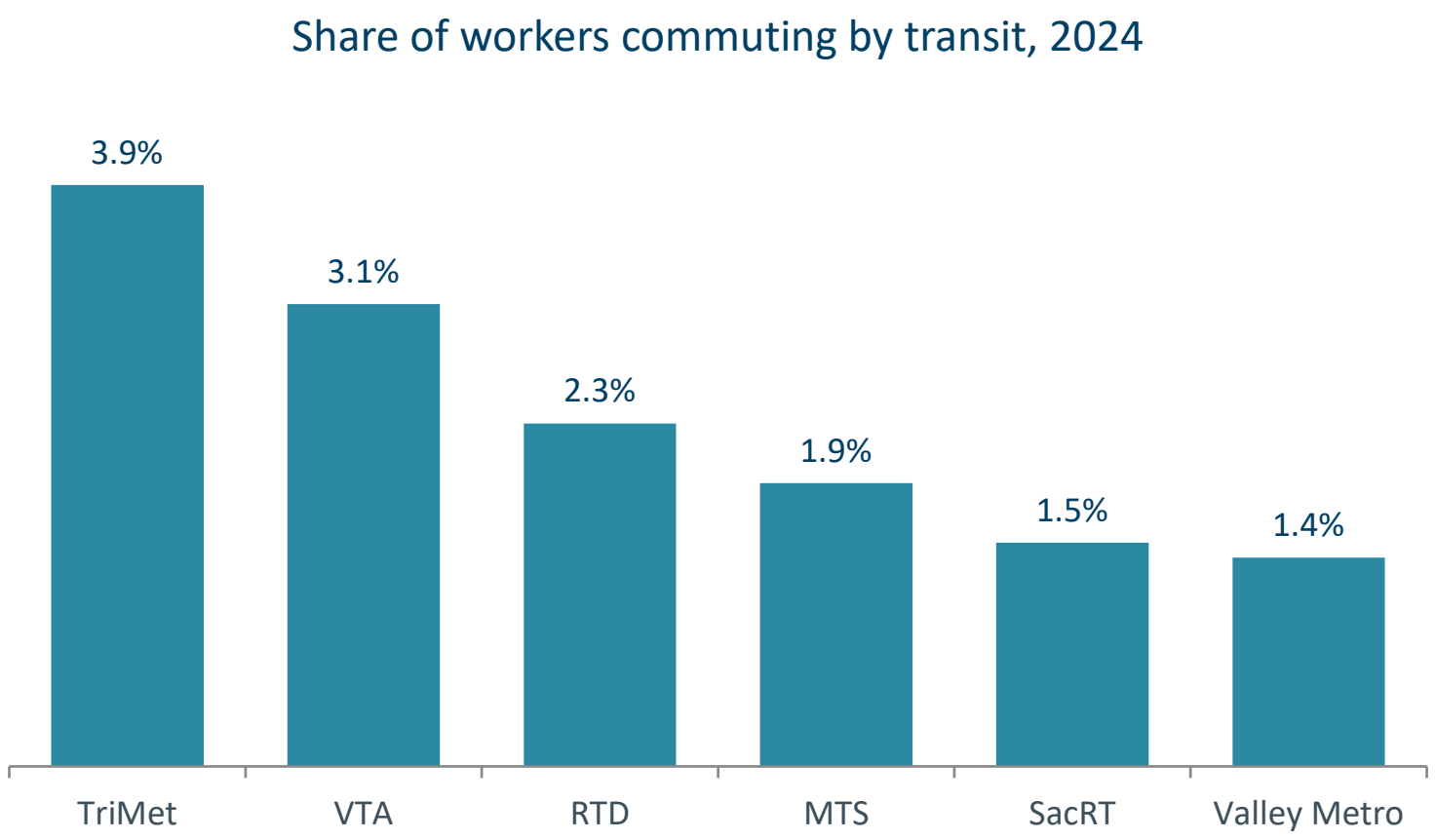
20% more

trips per resident than the next-highest peer.

Source: FTA National Transit Database 2024; ECOnorthwest analysis.

As the economy shifts to hybrid, TriMet remains the peer leader in commute trip share

Compared with five western peer agencies operating both bus and light rail modes.

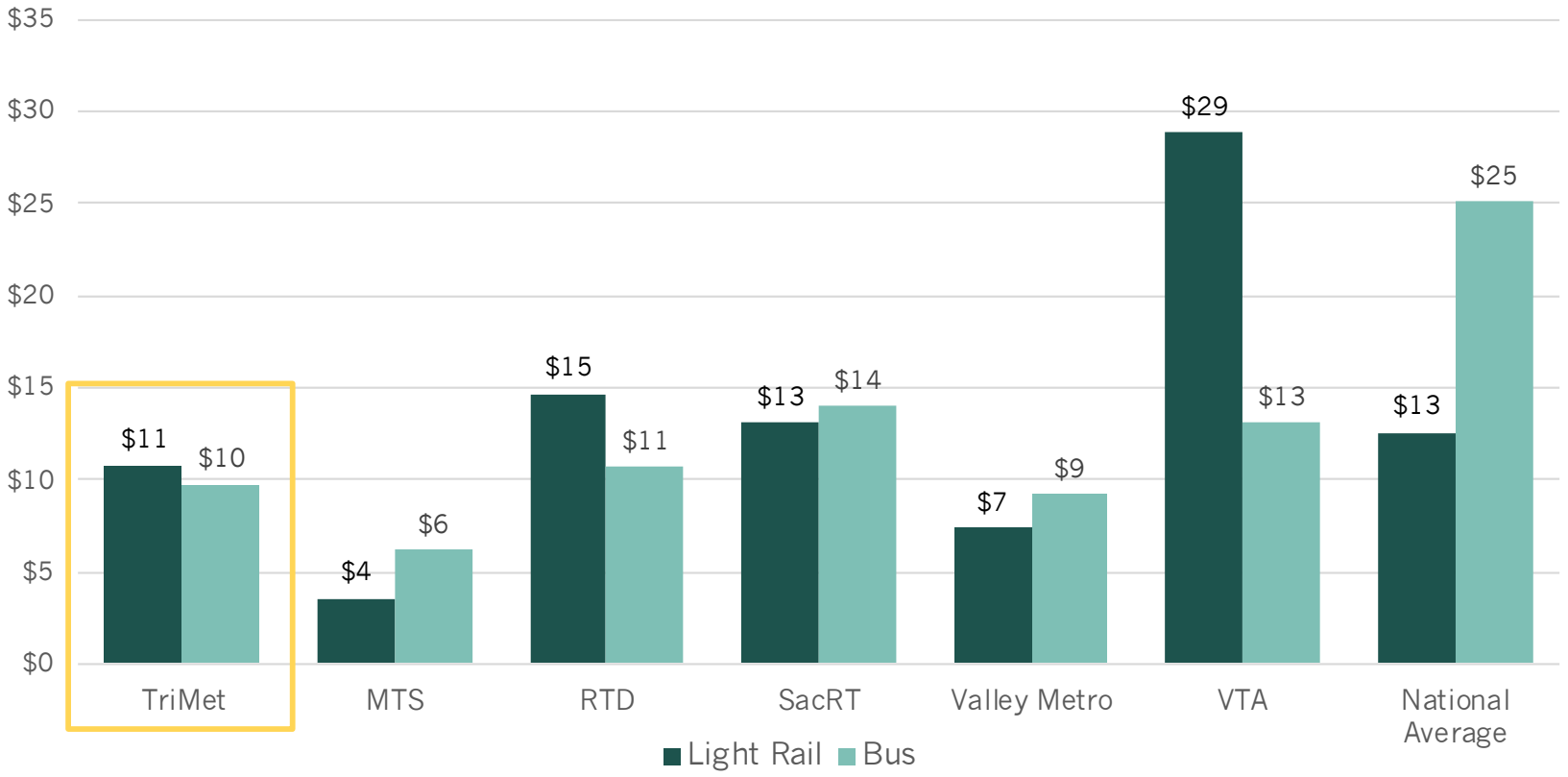


- ~61% of regional employment in industries requiring in-person attendance
- The second-highest work-from-home share (21%)
- The lowest share commuting by car, truck or van (70%)

Source: ACS 1-year 2024; ECOnorthwest analysis. Peer group: Valley Metro (Phoenix), MTS (San Diego), RTD (Denver), SacRT (Sacramento), VTA (San Jose).

Per trip costs are below national averages

Cost per Passenger Trip by Mode, 2024



$307

Annual operating cost per resident

Cost per trip for light rail and bus is below national averages of $13 and $25, and below most peers.

Source: FTA National Transit Database 2024; ECOnorthwest analysis.

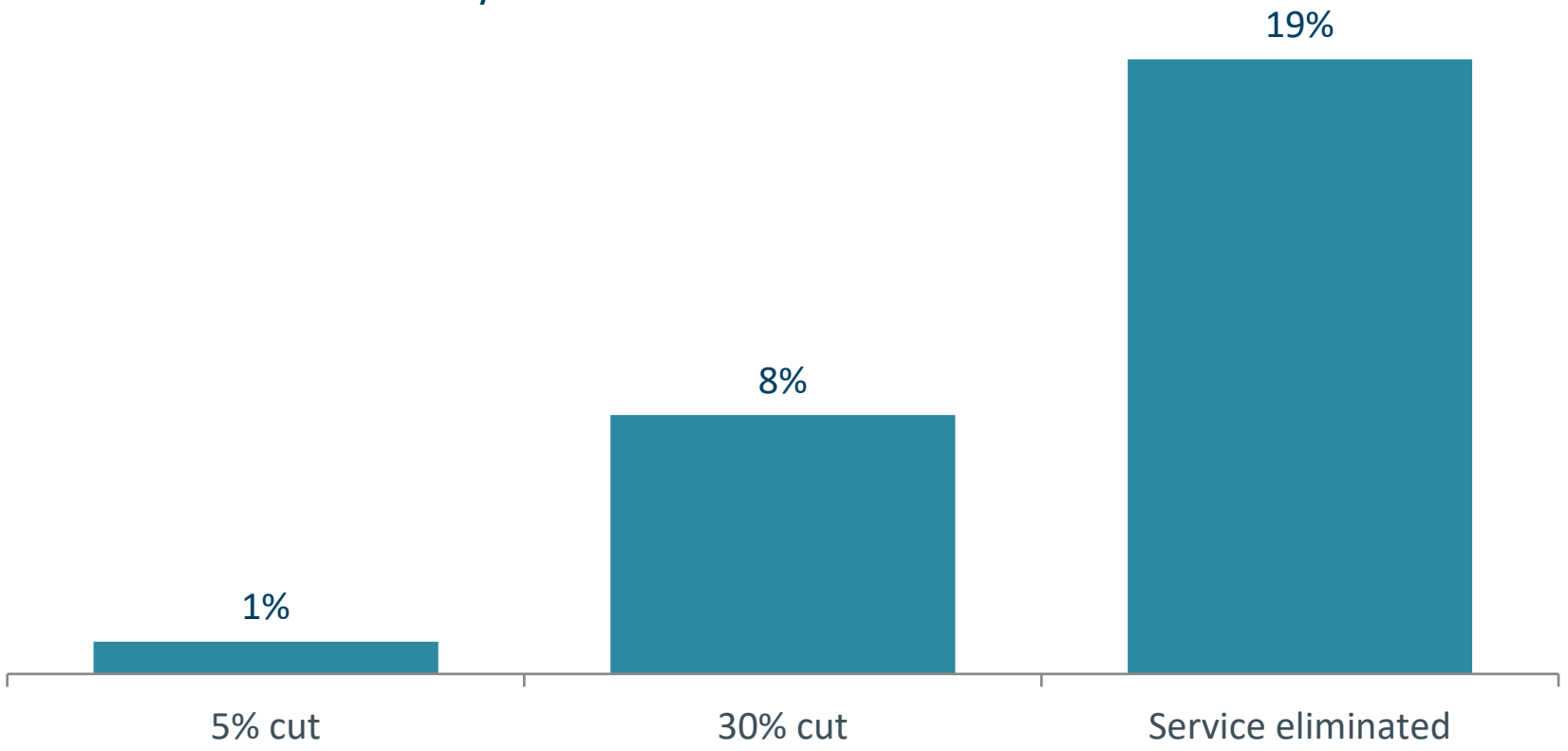
Transit and Housing

Public transit increases housing production capacity feasibility

Lower car ownership lets developers build fewer parking stalls — which lets more units per acre pencil.

Reduction in market-feasible housing capacity

Tri-county with current market conditions



Market capacity is not a forecast

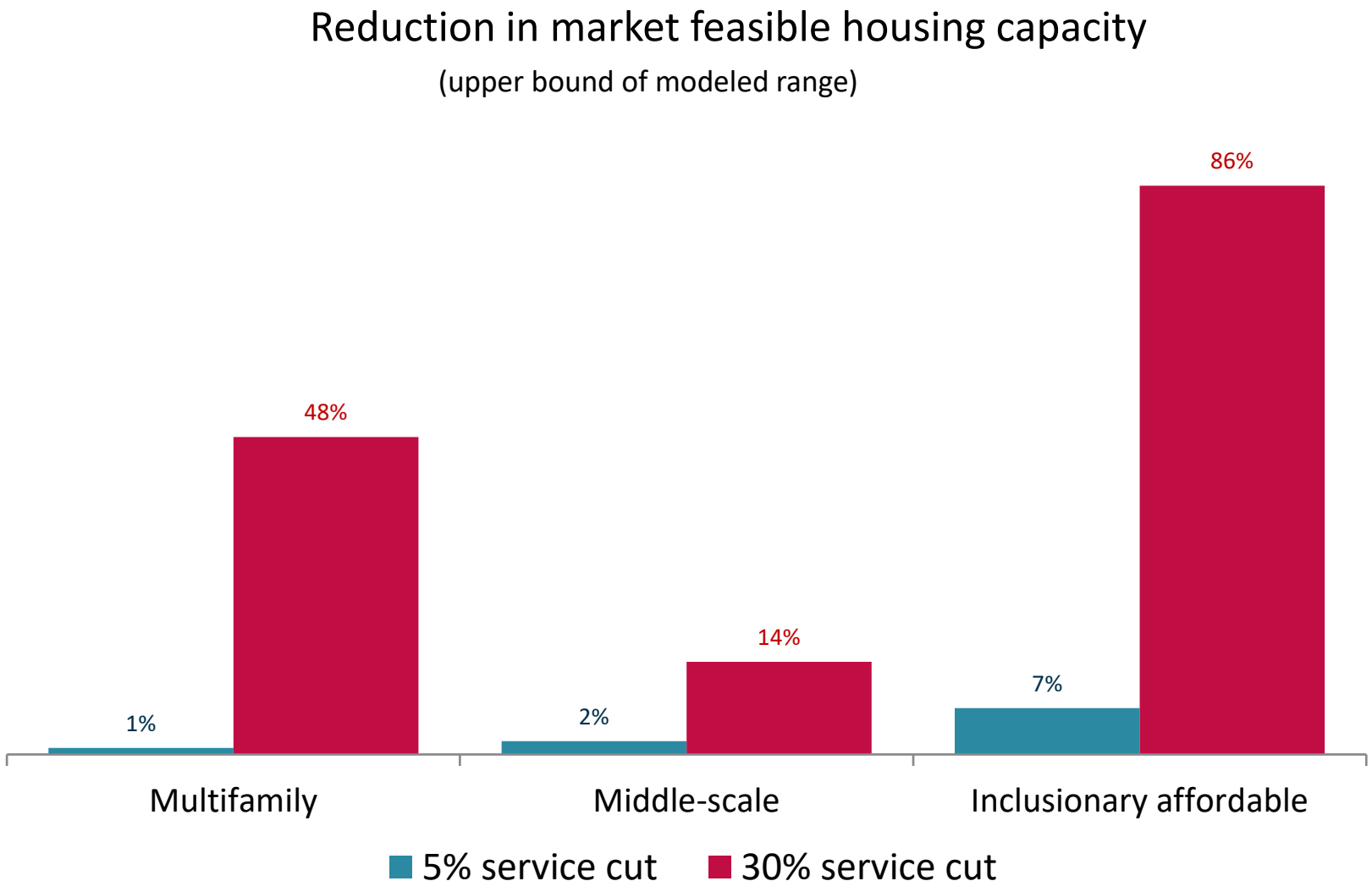
Market feasible capacity is a theoretical ceiling on market-driven supply. Developers will not pursue all of them — but they cannot pursue what is not feasible.

How it is modeled

Parcel by parcel, against physical dimensions, zoning requirements and tri-county market conditions.

Source: MapCraft analysis for ECOnorthwest. Ranges reflect current market conditions

30% service cuts reduces multifamily market development capacity by up to half



Multifamily

5+ unit apartments and condos

Middle-scale

Duplexes, triplexes, townhomes

Inclusionary affordable

Inclusionary housing requirements for 20+ unit buildings inside the City of Portland

Subsidized affordable production was not modeled but is likely to be affected through higher parking demand raising per-unit costs and consuming developable area.

Source: MapCraft analysis for ECOnorthwest. Chart shows the upper bound of each modeled range; ranges reflect alternative market conditions.

Household Transit Benefits

ECOnorthwest

How do you calculate the benefits from public transit?

How it works

- Transit service removes personal vehicle trips from the road network
- Fewer vehicle miles means less congestion and shorter travel times
- Drivers and freight operators save time and money whether or not they ride
- Fewer miles driven also means fewer collisions and lower emissions
- Households have less need to own and park a car

How we estimated it

Framework	USDOT benefit-cost analysis guidance
Travel inputs	Metro Regional Travel Demand Model — VMT and VHT with and without TriMet service
Vehicle costs	AAA 2026 weighted-average cost per mile
Value of time	ODOT 2025 passenger and freight values
Emissions	EPA 2023 social cost of carbon
Housing Opportunities	MapCraft analysis

Public transit saves tri-county residents at least $489.4 million annually

Riders and non-riders both save



$163 million
in **vehicle operating costs** saved per year



$323 million
in **time value** saved per year



$3 million
saved in **avoided crashes** per year

Vehicle operating costs	**$162.9M**	$215 / household	Equal to owning and operating ~13,840 vehicles
Travel time	**$323.3M**	$426 / household	Avoids 8M+ added hours of vehicle travel each year
Avoided collisions	**$3.3M**	$4 / household	A 30% cut would eliminate 80% of this benefit
Total household savings	$489.4M	$645 / household	Before counting any economic contribution

Source: ECOnorthwest analysis, USDOT benefit-cost guidance. Excludes ~$12M in annual avoided-emissions benefits (41,379 MT CO2e) and Clark County benefits of $34.5M. Freight receives $11.1M in travel-time savings.

Public transit generates widespread benefits, including for non-riders

On average, households pay

$107

Employee statewide transit tax

0.1% of wages, withheld from every paycheck

TriMet
FY2025 service

On average, households save

$645



Direct household savings

Lower vehicle operating costs,
shorter travel times and fewer collisions

The $107 employee payroll deduction represents only a portion of TriMet's funding, while the estimated $645 in annual household savings reflects the benefits of the entire transit network. This is not a dollar-for-dollar return.

Source: ECOnorthwest analysis; TriMet FY2025 payroll tax receipts; ACS 1-year 2024 household counts.

Quantifying Economic and Fiscal Impacts

Two channels generate economic impacts

THE SPENDING CHANNEL

Payroll, purchases, capital

TriMet pays wages, buys goods and services, and invests in capital. That spending circulates through the regional economy and supports employment and business activity across many industries. Similar in impact to other public sector spending.

THE TRANSPORTATION NETWORK CHANNEL

Mobility and productivity

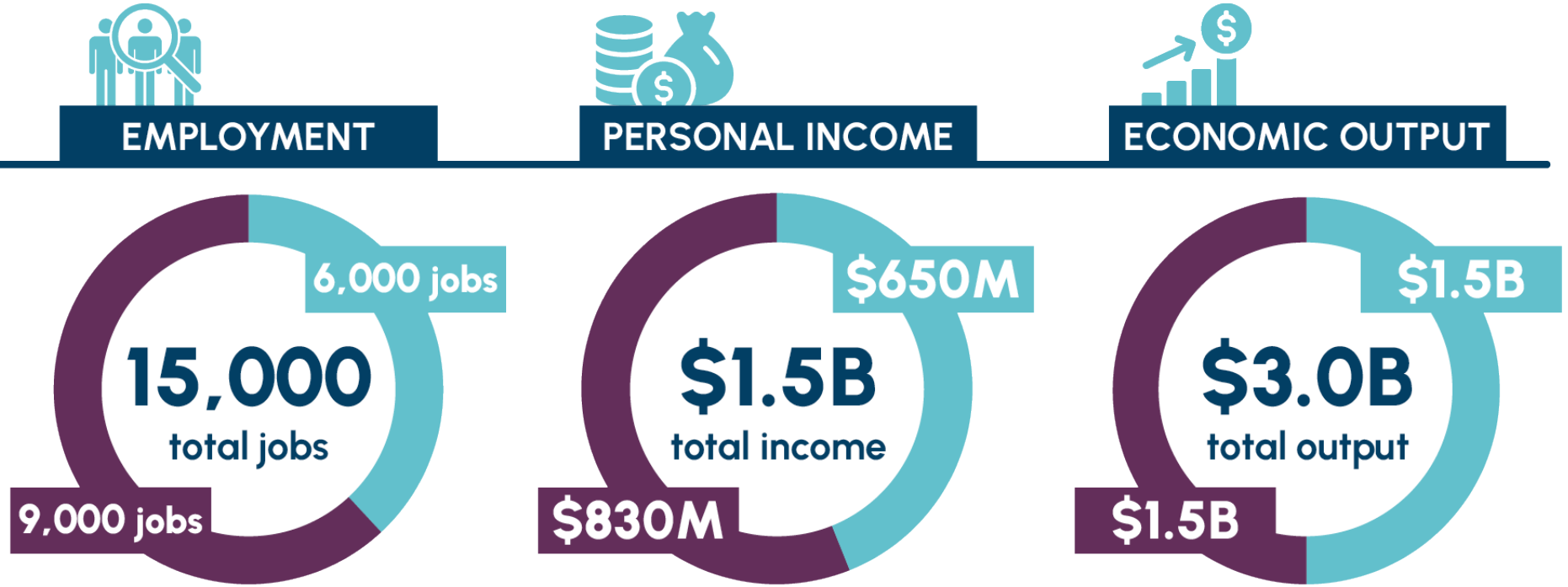
- Expands the labor market workers can reach and the pool employers can hire from
- Preserves roadway capacity for freight and trips that must be made by car
- Frees household resources otherwise spent on transportation

The transportation network channel differentiates investment in transit from other public spending.

Measuring TriMet's existence value -- Impacts through 2030

ANNUAL CONTRIBUTIONS TO OREGON'S ECONOMY

- Transportation network efficiency contributions
- Ordinary spending contributions[3]



$8.2B
cumulative personal income 2026–2030

$17.3B
cumulative economic output 2026–2030

Source: REMI TranSight 2023; ECOnorthwest analysis. Statewide, in 2026 dollars. Five-year averages: 16,240 retained jobs and 12,540 retained residents per year.

Employers in the Tri-County Region see nearly 3x the benefits

WHAT EMPLOYERS PAY

$540.4M

Regional employer tax

Levied on employers in the TriMet service area

TriMet Service

Access to a larger labor pool

Transit extends the reach of workers to jobs and of employers to talent

Cheaper movement of goods

Transit reduces traffic congestion, helping freight and business travel move faster and at lower cost.

HOW THE REGION BENEFITS

$1.5B

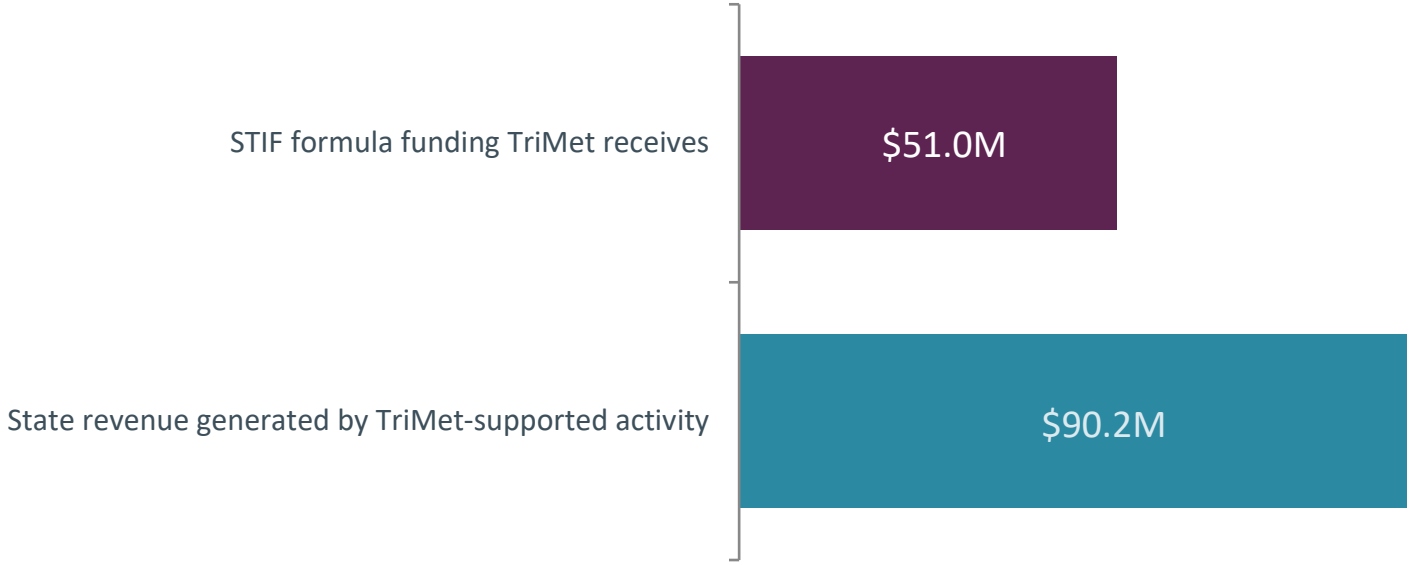
In economic output

Supported by productivity and mobility benefits

TRANSPORTATION NETWORK EFFICIENCY

TriMet returns 77% more revenue than it receives in state funding

2025 one-year impacts – Funding vs. Supported Economic Activity



77% more

state revenue generated than TriMet receives in STIF.

The study did not model the effect of eliminating or reducing STIF funding itself. What it establishes is that in the most recent year analyzed, TriMet supported activity contributing more revenue to the state than it received from it.

Source: REMI TranSight 2023; Oregon Legislative Revenue Office, 2026 Oregon Public Finance Basic Facts; ECOnorthwest analysis. Statewide estimates.

Without the economic activity supported by TriMet, growth would be 10% lower in 2030

Projected growth in Oregon real economic output, 2026–2030



$37.5B

The amount Oregon's real economic output is projected to grow between 2026 and 2030.

$3.7B

10% of the projected growth - how much smaller that 2030 economy would be without TriMet

~6 months

Of statewide economic growth at the projected pace, forgone over five years without TriMet.

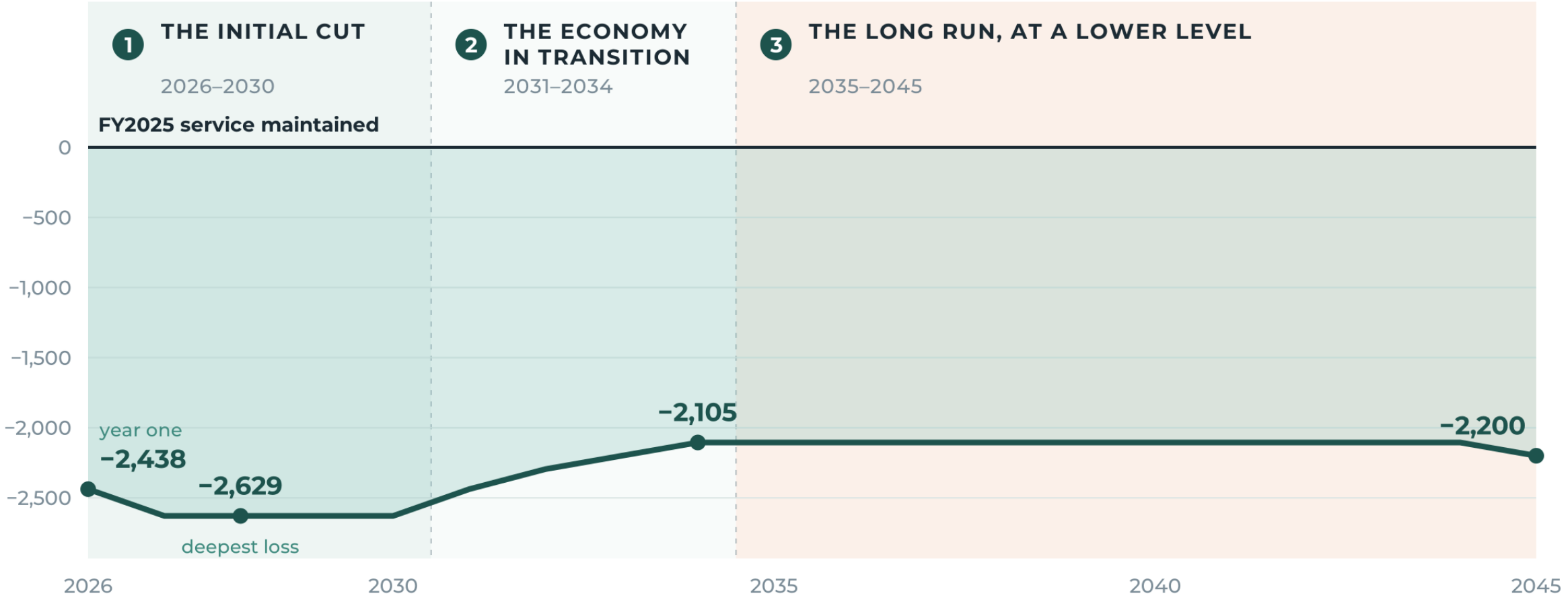
Source: REMI TranSight 2023; ECOnorthwest analysis. Months-of-growth figure applies the five-year average growth rate to the 2030 difference.

Impact of Service Level Cuts

ECOnorthwest

Economic losses are permanent, doesn’t recover to baseline

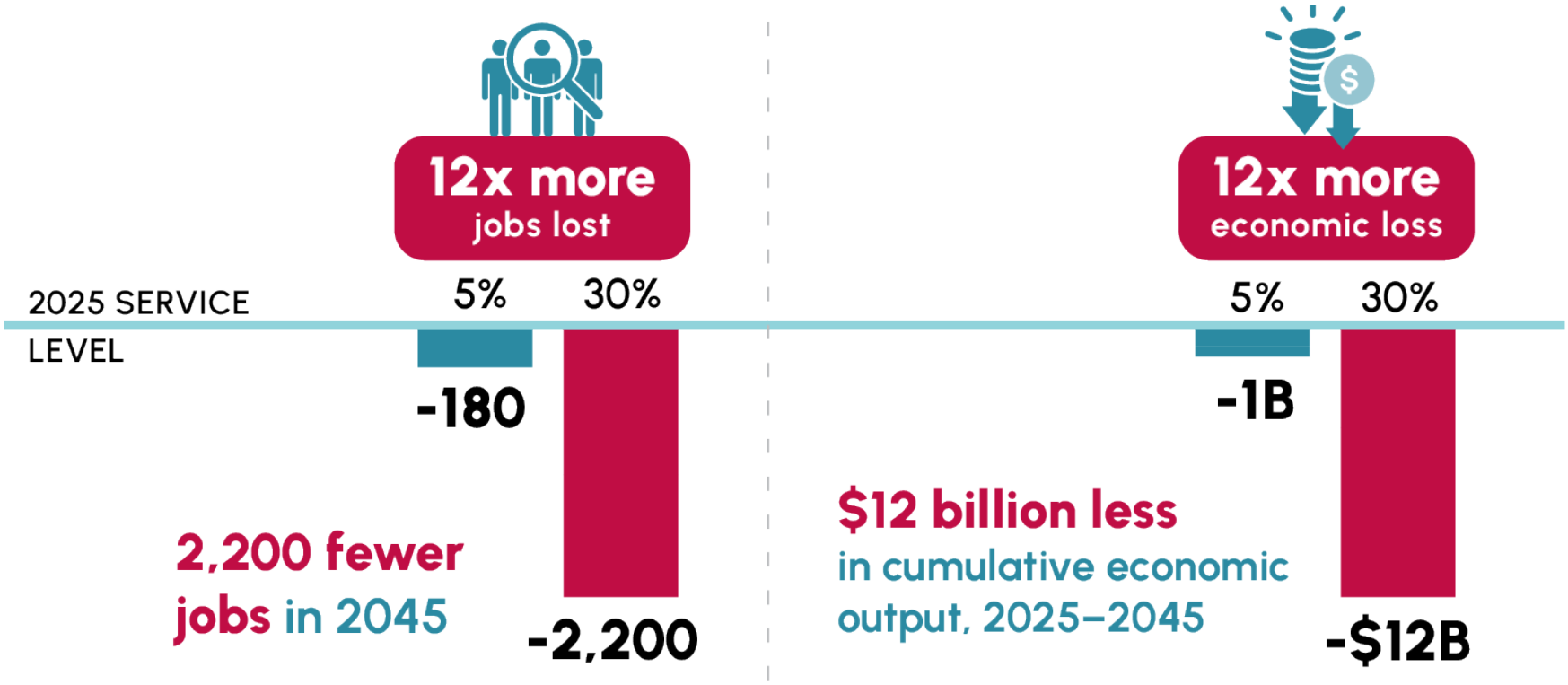
ESTIMATED TRI-COUNTY EMPLOYMENT UNDER A 30% SERVICE CUT — DIFFERENCE FROM BASELINE



1. Service is withdrawn and the loss deepens for four more years, reaching 2,629 jobs below baseline.
2. About a fifth of the loss comes back as activity reorganizes around the smaller network.
3. Recovery stops roughly 2,100 jobs short and holds. Twenty years on the region is still 2,200 jobs below baseline.

Further rounds of service cuts would have an outsized impact

A 30% service reduction produces 12x the economic losses of a 5% service cut by 2045



Source: REMI TranSight 2023; ECOnorthwest analysis. Tri-county region, cumulative over 2026–2045.

The fiscal impact is amplified under increased service level cuts



$2.4 billion

in cumulative state tax revenue over 20 years

$120M per year, on average

Estimated additional state tax revenue supported by TriMet over the next 20 years.

Revenue the state forgoes under each scenario over 20 years

	Total	Average Per Year
5% service cut	**–$39M**	**–$2M**
30% service cut	**–$384.1M**	**–$21M**
Service eliminated	**–$2.4B**	**–$120M**

ECOnorthwest



Los Angeles



Portland



Seattle



Boise

Transit Supports the Future We Want

- Economic competitiveness
- Access to jobs
- Housing production and affordability
- A healthier climate
- Thriving and connected communities



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A Shared Regional Agenda

1. Maintain essential transit service as our economy recovers.
2. Work together to shape transit around how people live and travel today.
3. Build a sustainable funding model for the service our region needs.

Our request to you: Make increased transit funding a legislative priority and help shape this regional agenda.

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