

2023 Portland & Seattle

SHARED FEDERAL POLICY AGENDA



The Portland Business Alliance and Seattle Metropolitan Chamber of Commerce share advocacy priorities for addressing policy and funding challenges in the two largest urban centers in the Pacific Northwest.

This combined federal agenda calls for prioritizing the Pacific Northwest so that both cities can truly build back better.

TRANSPORTATION & INFRASTRUCTURE

Infrastructure is the bedrock of a thriving economy. In 2019, Oregon's infrastructure received a C- grade from the Army Corps of Engineers, with one of the key factors being the inability for our infrastructure to withstand a seismic event. According to their assessment, our "bridges, dams, drinking and wastewater systems were not designed for large seismic events, so we need to implement strong leadership, extensive planning, and robust funding to prepare our infrastructure to be resilient and aid in recovery efforts."

Businesses from the Canada border to Ashland to Pendleton require good, quality roads to move their products. With the Portland-metro region serving as an important economic hub of commerce, we cannot thrive without a robust transportation system that can efficiently move goods throughout our state and through the metro area. In 2018, a report ranked Portland as having the 10th worst rush hour traffic in the nation, with the average driver losing 116 hours a year idling in traffic. These delays cost the average driver \$1,625 a year — for a citywide cost of \$1.4 billion a year. The Oregon Department of Transportation in previous years has reported that poor road and bridge conditions throughout Oregon will cost 100,000 future jobs and nearly \$100 billion in cumulative GDP through 2035.

Our two most pressing transportation related needs are:

Federal Policy PRIORITIES

- 1 Keep commerce and people moving safely along the I-5 Corridor
- 2 Increase access to affordable housing and homeless services
- 3 Promote racial equity
- 4 Expand global market access for our companies
- 5 Downtown rebuilding and urban core enhancements
- 6 Increase access to higher education and workforce training

I-5 Bridge Replacement

This 100+ year-old bridge is critical to the movement of West Coast commerce. Not only is the current state of the bridge insufficient to manage traffic flow, it is also structurally unprepared to withstand any seismic event. The business community seeks and supports a locally preferred alternative that expands capacity for multi-modal transportation in order to reduce congestion and shorten travel times. In 2019, a bi-state memorandum of intent (MOI) was signed by Governor Brown and Governor Inslee to advance a project to replace the bridge, and a process to develop a locally approved alternative design is moving forward successfully. Both states have dedicated funds and are working hard to come to a consensus on the specifics of the project.

REQUEST: Advocate for federal funding to help deliver on the critical I-5 Bridge replacement project.

Cascadia High Speed Rail

We strongly urge your support for high-speed rail as a core investment in future federal infrastructure investment. The economic and social benefits of high-speed rail have proven themselves in thirty-two nations across the globe. Federal support will lay the path for the Cascadia Ultra-High-Speed ground Transportation project, a transformative infrastructure project which is a key element of the Cascadia Innovation Corridor initiative. In the Pacific Northwest alone, high-speed rail would replace 27 million carbon-intensive flight miles and 6.1 billion vehicle miles traveled on our roads over a 40-year period. For the past five years, a broad group of stakeholders has been working to advance the vision of building ultra-high-speed ground transportation to connect the anchor cities in the region—Vancouver, BC; Seattle, WA; and Portland, OR. With support from the State of Oregon, Washington State, the Province of British Columbia, and the private sector, the Washington Department of Transportation commissioned reports studying the feasibility and economics of the project. The initial feasibility study showed robust ridership, revenue projections, an estimated \$355 billion in economic growth and 200,000 new jobs related to construction and ongoing operation. Now it is time to take the next step—federal recognition and funding for this critical project.

REQUEST: Advocate for funding for the Cascadia High Speed Rail initiative.

HOUSING & HOMELESSNESS

A lack of affordable workforce housing throughout Oregon is exacerbating the existing crisis of homelessness in the state. For those living below the poverty line, or 30% of the area median income, difficult choices between paying rent or paying for food, childcare or even medications have to be made on a regular basis. According to the National Low Income Housing Coalition, 23% of Oregon households are extremely low income, and of these 75% of these are severely cost burdened and are at a higher risk of eviction. Of those, 89% are either participating in the labor force, retired seniors, or are disabled. In the Portland-metro area, the

“2020-21 PBA Housing Affordability report” found that about half of the region’s renter-occupied households are cost-burdened, which climbs to 60% in East Multnomah County. The 2023 PBA State of the Economy report found that the cost of living in Portland is now on par with Seattle, driven primarily by the high cost of housing and taxes. Exacerbating the homelessness crises is the fact that the Portland region has one of the lowest ratios of shelter beds to the houseless population in the nation.

REQUEST: Expand programs and tax incentives for building low-and-middle-income housing and support funding of services to help those experiencing homelessness, including, but not limited to Continuum of Care Program, Emergency Shelter and Navigation Service Grants, Emergency Solutions Grants, and the HOME Investment Partnerships Program.

Help Our Downtowns Recover and Thrive

We ask for your support on the Revitalizing Downtowns Act and other incentives to convert commercial buildings to housing. The bill would create a new federal tax credit, modeled to support the conversion of empty office buildings to housing. Like the historic credit, it provides a 20% credit based on the “Qualified Conversion Expenditures” in transforming the building. It also requires office-to-residential conversions to include 20% affordable housing at 80% of the AMI. We know from extensive experience that office-to-residential conversions are so costly and challenging that they will not happen without a tool like this. The reality is, without supportive policy, we are likely to see persistent vacancy in downtown commercial office space. This bill will replace vacancy with vibrancy.

REQUEST: Support Revitalizing Downtowns Act and other incentives to convert office space to housing.

SUPPORT PACIFIC NORTHWEST’S SEMICONDUCTOR INDUSTRY

Passage of the CHIPS Act, including significant investments to support domestic R&D and fabrication for the semiconductor industry, presents an extraordinary opportunity for the Pacific Northwest. This industry supports tens of thousands of jobs in Oregon and Washington, constitutes a substantial amount of the states’ trade activity, and contributes enormously to local, state and regional economies. Passage of the CHIPS Act was just step one, though. Federal delegation leadership is critical to ensuring state and local policies are established in a timely and meaningful way for both states to capitalize on this opportunity.

REQUEST: Connect with local and state officials to emphasize the need for timely action that competitively positions our states.

REQUEST: Expand the conversation about domestic advanced manufacturing beyond the semiconductor space to provide opportunity for other sectors to provide good paying jobs and economic prosperity.

PERMITTING REFORM

Today, the single biggest obstacle to building the badly needed housing and infrastructure of the future is a broken permitting system. We are calling on Pacific Northwest members of Congress to support the rapid construction of this sorely needed infrastructure by enacting meaningful, durable legislation to modernize America's permitting processes this year.

Public and private sector infrastructure projects will improve our economy and the lives of millions of Americans. Investing in highways, bridges, transit systems, and ports will move people and goods more quickly and efficiently. Building new energy production and transmission projects promises to improve energy reliability and reduce emissions. Expanding access to broadband can close the digital divide, and rebuilding failing water systems will ensure safe drinking water. And building enough housing to ensure every resident of Oregon and Washington have a place to call home is the ultimate solution to our homelessness crisis. But our cities cannot accomplish any of this if the outdated, inefficient, and unpredictable permitting process is not improved.

We call on the Pacific Northwest congressional delegation to recognize that the current system is broken, and support modernizing our permitting process.

As a starting point, we are united on the following principles:

- **Predictability:** Project developers and financiers must have an appropriate level of certainty regarding the scope and timeline for project reviews, including any related judicial review.
- **Efficiency:** Interagency coordination must be improved to optimize public and private resources while driving better environmental and community outcomes.
- **Transparency:** Project sponsors and the public must have visibility into the project permitting milestones and schedule through an easily accessible public means.
- **Stakeholder Input:** All relevant stakeholders must be adequately informed and have the opportunity to provide input within a reasonable and consistent timeframe.

WORKFORCE & SMALL BUSINESS RELIEF

An unprecedented workforce crisis faces employers—small and large—around the state. This is the most important issue business leaders raise when asked what is top of mind for them. Federal incentives or programs could help expedite training; create standards for certification that allow for greater transferability; create more opportunity for education, including

vocational training; or provided incentives to employers who establish new, effective ways to develop their communities' workforce. Oregon's workforce will also benefit from other items noted here, including, but not limited to, more effective and efficient infrastructure, access to affordable housing, and expanded opportunity for educational attainment.

REQUEST: Provide funding to incentivize workforce development at the state level through vocational or employer sponsored training programs.

June of 2022 marks the 50th anniversary of the Pell Grant program, which provides much-needed support for low-income students seeking access to higher education. In Oregon, approximately 70,000 students make use of nearly \$269 million in Pell Grant awards. In Washington more than 100,000 students use nearly \$415 million, but this does not cover all of the need. Increasing the Pell Grant program would allow current students to receive increased grants and, importantly, allow more of Oregon and Washington's youth to have access to aid necessary to realize the opportunities afforded by higher education. Pell Grants are used by students of all backgrounds: 60% of Black students, half of American Indian or American Native students, nearly half of Latino students, and 30% of white students use Pell Grants to pay for college. With critical workforce training needs before our employers and ever-increasing costs for higher education facing students, now is the time to make significant investments in the Pell Grant program.

REQUEST: Support Pell Grant expansion and reform.

IMMIGRATION REFORM

Over the past few decades, Congress has been unable to reform the nation's teetering immigration system. With workforce challenges impacting every sector of the economy, we call on the Pacific Northwest congressional delegation to lead in not letting another Congress go by without addressing the issue.

Pacific Northwest employers of all sizes and across all industries are facing chronic workforce shortages that significantly limit the ability of their businesses to grow and even meet their current demand. The shortcomings of our legal immigration system are a key contributing factor to employers' struggles to hire and retain the talent they need to succeed in an increasingly competitive global marketplace. As demand for workers has increased in recent years, the outdated and arbitrarily low visa quotas, onerous compliance burdens, decades-long backlogs, and obsolete eligibility requirements that private employment-based visa programs leave many companies out in the cold when it comes to adequately meeting their workforce needs.

We call on the 118th Congress to enact immigration policies that will spur economic growth and boost job creation with a long-term goal of fixing our broken immigration system.

REQUEST: Expand legal immigration options for future immigrants and temporary workers to the U.S. This should include substantially increasing the annual allotment of employment based green cards, as well as raising the yearly caps on the issuance of temporary worker visas (H-1B and H-2A & H-2B).

REQUEST: Create new visa options that will help highly educated international students stay in the U.S. after graduation.

REQUEST: Provide legal certainty to DACA recipients and long-term beneficiaries of the Temporary Protected Status program. Many of these individuals have lived in the U.S. for decades, are part of American society, and are already making critical contributions to our workforce.

SUPPORT BLACK ECONOMIC PROSPERITY

Together, the Oregon Chapter of the National Association of Minority Owned Contractors and the Portland Business Alliance have created the Black Business Association of Oregon, and the Black Economic Prosperity Program. This is the first step toward achieving public metrics, goals and strategies, for the economic advancement of Black and Brown Oregonians. The program has already received funding from the City of Portland, Multnomah County, the State of Oregon, and the Meyer Memorial Trust.

Seattle Metro Chamber is the service provider managing the Community Business Connector program. With partnerships in 26 cities in King County, the overall goal of the Connector program is to make our small business support ecosystem more supportive and inclusive by building relationships with businesses facing challenges due to linguistic, cultural, and geographic barriers, including economic impacts because of COVID-19. Port of Seattle, King County and several cities have committed funding to the program during the 2-year pilot, beginning January 2023.

REQUEST: Support ongoing SBA funding for NAMC-Oregon and BBOA to fund their groundbreaking regional Black economic development programs.

INTERNATIONAL TRADE

With 1 in 5 Oregon jobs and 2 in 5 Washington jobs dependent on trade, ensuring healthy trade relationships with global partners is an economic imperative for our states. In 2017, Oregon produced and exported \$28 billion in goods and services to over 150 countries around the globe, and we are among only 12 net exporters in the nation. Though we are home to some export giants like Intel, the lion's share of our export activity - 88% - is from small-medium sized firms. In Washington, agriculture plays the biggest role, but other industries such as forestry and wine production in our region are heavily dependent on international trade. Greater Seattle is the nation's 10th largest regional economy, and trade plays a critical role in continuing our region's growth, ensuring Puget Sound residents from all backgrounds have access to good-paying jobs. For this reason, the last two years of turbulent and uncertain national trade policy has taken a toll on small manufacturing and agriculture companies across both states. The PNW has seen a 70% increase in the number of agricultural bankruptcies, and manufacturing hours worked and output have been in decline for months. Manufacturers have held off on planned hiring and investments due to the uncertainty in trade relationships.

We ask our federal leaders to support both states' economies by ensuring the U.S. has clear, stable and predictable commercial relationships with our key trading partners so our companies can expand their market access abroad. The successful negotiation and approval of the USMCA was critical to the future success of Oregon and Washington's trade sector companies. However, the ongoing supply chain and cost impacts of the former Trump administration tariffs and the pandemic, and now the Russian invasion of Ukraine, continue to threaten international trade.

REQUEST: Advocate for policies that will free up the global supply chain, and increase access and lower the cost of materials.

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The Portland Business Alliance is greater Portland's Chamber of Commerce. Our mission is to create opportunity and advance well-being for all who live and work in the greater Portland and SW Washington region. Our vision is a healthy and resilient business ecosystem. Visit PortlandAlliance.com for more information.



The Seattle Metropolitan Chamber of Commerce is the largest and most diverse business association in the Puget Sound region. The Chamber is a business advocacy organization that helps our members thrive in an equitable and inclusive regional economy. We seek an economically vibrant and globally competitive region where businesses of all sizes flourish and prosperity is shared. Visit SeattleChamber.com.