

Wednesday, February 21, 2024
12:00 PM – 1:30 PM

Virtual Meeting:

<https://clackamascounty.zoom.us/j/89359977218?pwd=eFNkVGZ2OGhzb2dhTXhMYTYraHIJUT09>

Telephone option: 1 (719) 359 4580

Agenda

- 12:00 p.m. Welcome & Introductions**
- 12:05 p.m. ODOT I-205 Update**
- **Supplemental EA Process Timeline**
 - **Introduction to the Adaptive Traffic Management Framework**
*Presenting: Mandy Putney, ODOT
Heather Wills, WSP*
- 12:40 p.m. Legislative Update**
- **Special Subcommittee on Transportation Planning ([SSTP](#))**
 - **Statewide Transportation Funding Framework**
Presenting: Trent Wilson, PGA
- 1:00 p.m. Supplemental EA Comment Timeline**
Presenting: Trent Wilson, PGA
- 1:20 p.m. Updates and Other Business**

Attachments:

| | |
|--|---------|
| ODOT I-205 Update Presentation | Page 02 |
| Statewide Transportation Funding Framework | Page 13 |
| ODOT SSTP Presentation 2/6/2024 | Page 37 |

C4 Toll Strategy Committee

February 21, 2024

Mandy Putney, ODOT Strategic Initiatives Director (she/her)

Heather Wills, WSP Senior Vice President (she/her)

Revised I-205 Toll Project

The purpose of the Project is to use variable-rate tolls at the Abernethy Bridge to provide funding for reconstruction of the bridge and to support congestion management.

Toll infrastructure located within ODOT right-of-way at the I-205/OR 43 interchange

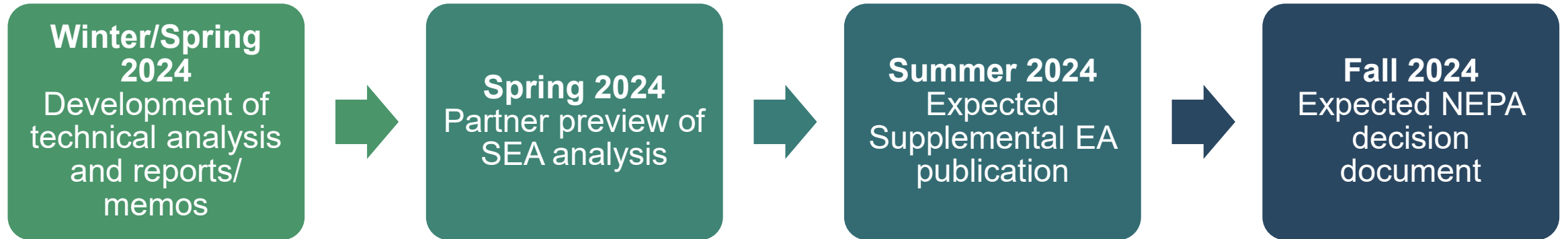


I-205 Toll Project Environmental Analysis Process

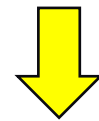
- Environmental Assessment published February 2023
 - Comment summary and responses report available
- Preparing Supplemental Environmental Assessment for revised project
 - Maintaining consistency with approach and methodologies used previously
 - Agency coordination underway



Supplemental Environmental Assessment Process



I-205 Toll project timeline



2023

2024

2025

2026

| | |
|---------------------------|---|
| I-205 Toll Project | <p>○ EA</p> <p>Level 2 Traffic and Revenue Study</p> <p>■ Supplemental EA</p> <p>■ NEPA decision document</p> <p>■ Level 3 Toll T&R Study</p> <p>Project development and environmental review</p> <p>Construction</p> |
| Implementation | <p>Low-Income Toll Program guidance</p> <p>○ Publish draft rules</p> <p>■ Final rules approved</p> <p>○ OTC sets toll rates for I-205</p> <p>■ Earliest toll collection can begin</p> <p>Policy and rule development</p> |
| Public Input | <p>Ongoing engagement: Comment periods, in-person engagement, project committees, survey and feedback opportunities</p> |

Schedule updated February 2024. Subject to change

- Public comment opportunity
- Project milestone
- EA:** Environmental Assessment
- Scoping:** Initiate environmental review
- NEPA:** National Environmental Policy Act
- OTC:** Oregon Transportation Commission

Adaptive Traffic Management Framework

Adaptive Traffic Management Framework

- Program-level framework for developing and implementing project-specific monitoring plans to support the delivery and operation of interstate toll projects.
- Framework will define the required elements of monitoring plans such as:
 - Multi-agency committee structure
 - Monitoring area
 - Baseline data
 - Performance metrics
 - Data collection and reporting
 - Response strategies

Multi-jurisdictional Committees and Partnerships

| | Senior Staff Workgroup | Executive Workgroup | Communication Workgroup |
|--|--|--|---|
| Phase | <ul style="list-style-type: none"> • Pre-implementation • Post-implementation | <ul style="list-style-type: none"> • Pre-implementation • Post-implementation | <ul style="list-style-type: none"> • Post-implementation |
| Core Functions | <ul style="list-style-type: none"> • Identify data needs, collection, and reporting protocols • Identify corridors to monitor • Review data collected and identify potential issues | <ul style="list-style-type: none"> • Coordinate between project area jurisdictions • Provide direction as needed | <ul style="list-style-type: none"> • Coordinate messaging and communication, and address communication gaps • Develop monitoring and performance reports. |
| Workgroup Composition <i>(ODOT, regional agencies and jurisdictions)</i> | Senior planners and traffic engineers | Executive agency leadership with the authority to make decisions before seeking approval from their respective board or commission | Communications managers |

Monitoring Plans for Specific Projects

Before tolling begins:

- Identify corridors and frequency to monitor.
- Establish pre-tolling baseline conditions at identified corridors.
- Establish performance metrics and associated thresholds.

After tolling begins:

- Monitor identified corridors and continually evaluate data against performance thresholds.
- If conditions exceed performance thresholds, begin detailed analysis to determine if additional action is needed.

Partner Engagement Schedule

| Date | Key Milestones |
|-------------------|--|
| Feb 5 | <u>RTAC Staff Working Group</u> : Partners provided initial comments on ATMF Draft #3 |
| Feb 12 | <u>RTAC Staff Working Group</u> : Additional opportunity for partners to provide comments on ATMF Draft #3 |
| Feb 5 – 21 | Partners review and provide comments via email and one-on-one sessions |
| Feb 21 | Presentation to C4: Clackamas County Toll Strategy Committee |
| Feb 26 | Share ATMF Draft #4 with partner agency staff |
| Mar 4 | <u>RTAC Staff Working Group</u> : Finalize framework |
| Mar 18 | March RTAC Meeting |

Thank you!



Joint Committee on Transportation

MULTIMODAL TRANSPORTATION BEGINNING CONVERSATION DOCUMENT



2024-2025

**Senator Gorsek
Representative McLain**

Draft 12

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OVERVIEW FROM THE CO-CHAIRS

The Joint Transportation Committee will continue to prioritize and work diligently on updating Oregon's funding tools as we continue to invest in a multi-modal system that can function as the spine that holds and links our communities and economy together. Our guiding principles will be the safety, functionality, efficiency, and stability of the system. **Safety** must be a priority for all modes of transportation, including public transit, bikes and pedestrians, and roadway systems. Second, funding must be **stable and sufficient** to create resiliency, support our climate goals, maintain our facilities, and be equitable statewide.

Co-Chairs Gorsek and McLain commit to a process and timeline that creates opportunities for our jurisdictional partners and the public to share their perspectives on these important tasks. Our focus will always be on the basics: supporting necessary maintenance and providing the funding tools to do the job correctly. Our work will be guided by a framework that centers both equity and sound environmental policies and practices.

As we prepare for the 2024 and 2025 Legislative Sessions, our immediate work for Spring 2024 centers around identifying our opportunities and developing consensus on our vision. We must clearly define the problems we need to address and take advantage of opportunities for engagement (for example, dialogues with OTF, OBC, OBI, OLCV, OEC, Street Trust, Oregon Walks, AGC, Building Trades, Oregon Trucking Association, and Oregon Transit Association). We need to determine kickoff timing, and the individual roles of the Legislature, jurisdictional partners, and users of the system. A beginning schedule is at the end of this document.

SECTION 1: 2017 TRANSPORTATION PACKAGE HISTORY AND UNFINISHED BUSINESS

Overview of the 2017 Package:

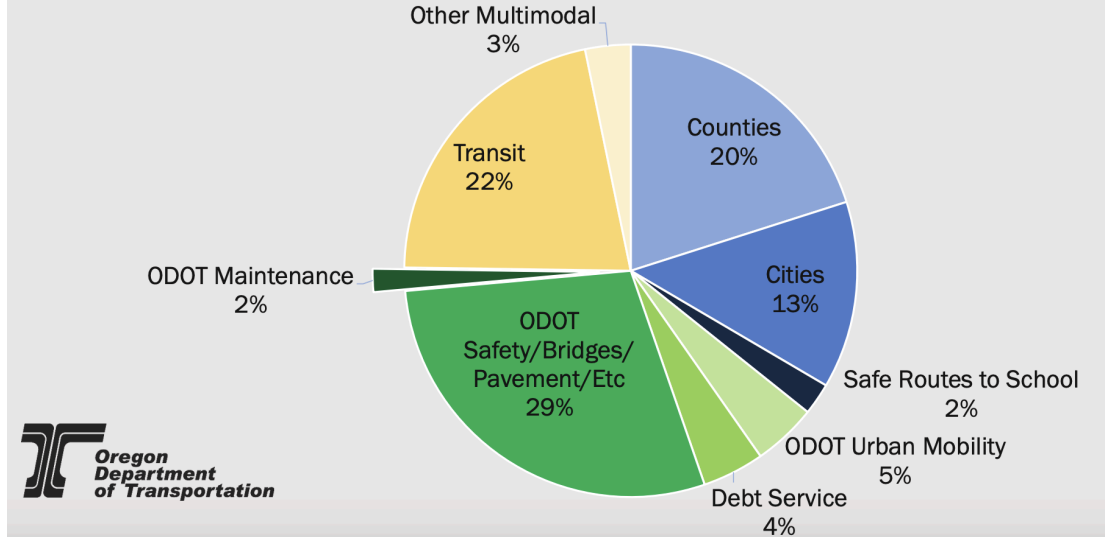
[H.B. 2017 \(2017\)](#) marked a watershed moment in how Oregon prioritizes, improves upon, and funds our Transportation System. There was a critical need for a system-wide approach as we struggled with identifying ways to provide stable and reliable funding for non-roadway infrastructure, multimodal transportation infrastructure, public transportation, bridge resiliency, culverts and roadway improvements. This was due in large part to the growing gap between the revenue streams we need to improve our infrastructure.

- **Process** - H.B. 2017 was developed in the Joint Committee on Transportation Preservation and Modernization (JTPM) as a response to these increasing challenges of funding, maintenance, operations, and project investments. The Committee spent five months holding hearings across the state to take testimony from the public, local elected officials, invited testimony, and tour transportation facilities. In addition, during the 2017 Session, there were five work groups established to promote in-depth deliberation and ultimately develop meaningful policy related to highway preservation, traffic congestion relief, public transit, public safety, multimodal transportation, and accountability.
- **Transportation Investments** - **H.B. 2017** made **historic Transportation investments** in Oregon, including in the following areas to name a few:
 - **Safety, Preservation, Maintenance, and Seismic Improvements** - **H.B. 2017** raised over **\$3.5 billion** over its first ten years to fix the state's bridges, highways, and culverts, and make safety and seismic improvements, **\$1.7 billion** to support improvements to state-owned infrastructure, while **\$1.7 billion** went directly to cities and counties to maintain local infrastructure.
 - **Multimodal Transportation** - **H.B. 2017** provided funding in the first biennium to the Connect Oregon program, directed funds for both the Treasure Valley and the Mid-Willamette Valley transmodal facilities, and created a funding mechanism to make Connect Oregon a permanent program. The Connect Oregon program invests nearly **\$50 million** every 2 years to support investment in **non-highway** modes of transportation.
 - **Public Transit** - **H.B. 2017** created substantial statewide investments in public transit to improve the connectivity and frequency of bus service in rural and urban communities. This first-of-its-kind dedicated state funding invests over **\$100 million** annually directly into transit districts across the state.

- **Safe Routes To School/Bike-Ped** - It provided **\$10 million** per year for **Safe Routes to Schools, increasing to \$15 million in 2023**. It also increased overall spending on bicycle and pedestrian infrastructure, both on and off-road.
- **Electric Vehicles** - It provided **\$12 million** annually for rebates for electric and other zero-emission vehicles to promote their use in Oregon.
- **Small Counties and Cities Allocations Commitment** - A portion of the money going to ODOT and to cities will be used to increase the resources available to small cities (population less than 5,000) to **\$5 million** per year. In addition, **\$5 million** of county money is distributed to counties with fewer than 200,000 registered vehicles based on a ratio of registered vehicles to road miles maintained by each county.
- **Congestion Relief and Freight Mobility** - It pinpointed three particularly problematic congestion areas in Oregon and made significant investments to improve the flow of traffic:
 - **OR-217** - made a full investment in congestion relief.
 - **I-205** - improving the functionality of I-205 from Powell Blvd to I-84, using technology to ease congestion, and planning to create functionality improvements to lanes for safety and for better access and movement of vehicles from Stafford Road to the Abernethy Bridge. Finally, it included a seismic retrofit of the Abernethy Bridge.
 - **I-5 Rose Quarter** - investing in auxiliary lanes to improve reliability, safety, and traffic flow, and plan for connectivity improvements across the freeway.
- **Funding Investments** - To address the gap between revenue streams and needed maintenance and improvements, **H.B. 2017** started and highlighted increased investment in streams of funding. Here are a few major examples:
 - Increases in **Registration Fees, Title Fees, and the Fuels Tax**.
 - **Bicycle Excise Tax**.
 - **Light Vehicle Dealer Privilege Tax** dedicated to electric vehicle rebates and Connect Oregon.
 - **Weight-Mile Tax** - The Weight-mile tax applies to vehicles in commercial operations on public roads within Oregon with a registered weight of over 26,000 pounds.
 - **Statewide Payroll Tax** - 1/10th of 1% of wages, deducted by an employer from payment to an employee.

HB 2017 Funding Distribution

Forecast for FY 2025; \$658 million total projected revenue



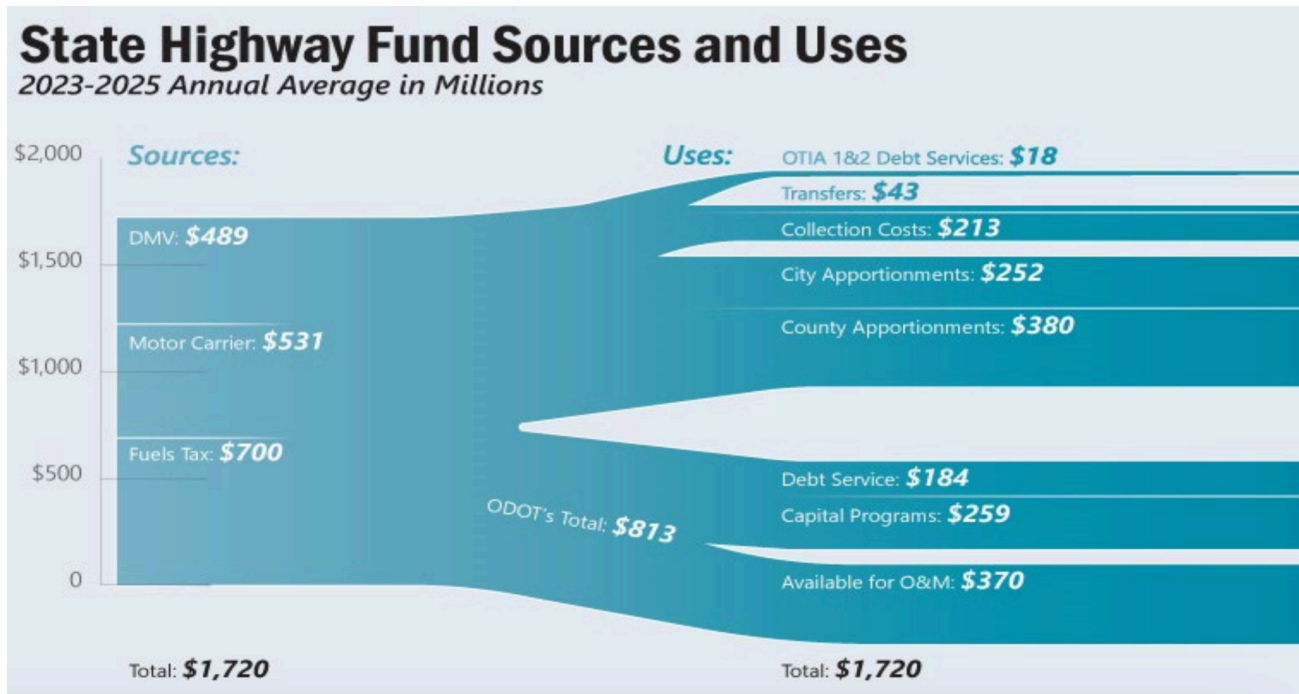
- **Policy Changes** - In addition to a focus on Transportation Investments and Funding, **H.B. 2017** also contained several meaningful policy changes, including:
 - **Accountability** - Directed the commission to create a Continuous Improvement Advisory Committee for ODOT, measure and report on transportation system conditions for all jurisdictions, create a transparency website, conduct a cost-benefit analysis for capacity-building projects, and create a stronger connection between the commission and the internal auditor of ODOT. The ODOT Director is appointed by the Commission and confirmed by the Oregon Senate.
 - **Value Pricing** - Created a pathway for using value pricing to relieve Portland Metro area congestion.
 - **Clean Fuels** - Guaranteed certainty with cost containment measures in statute for consumer protection.
 - **Jurisdictional Transfers** - Authorized the transfer of Outer Powell Boulevard in Portland, Pacific Highway West in Eugene, Springfield Highway in Springfield, and the Territorial Highway and Springfield-Creswell Highway in Lane County to local governments and the transfer of Cornelius Pass Road in Multnomah and Washington Counties to ODOT.
- **H.B. 3055 C (2021) Updates** - **House Bill 3055 C** restructures statutes related to tolling and financing of tollway projects, and provides for flexibility in funding the major projects outlined in **House Bill 2017 (2017)**, as well as adding the **Interstate 5 Boone Bridge** and toll program implementation to that list of projects.

- **Sections 52-80: Tolling Program Modernization** - reaffirms Oregon’s stated, ongoing commitment to implementing a system-wide tolling program with a dual goal: managing congestion on the state transportation system and generating revenue for future system improvements.

Review of ODOT Revenue Challenges

ODOT faces critical revenue challenges that will continue to grow unless action is decided. The shortfall is due in part to the decline of gas tax revenue, which has been brought on by the steady increase in electrification of vehicles and improvements in fuel efficiency. Simultaneously, there is added pressure on ODOT’s budget due to increasing construction costs caused by inflation and limited and increasingly competitive federal funding opportunities.

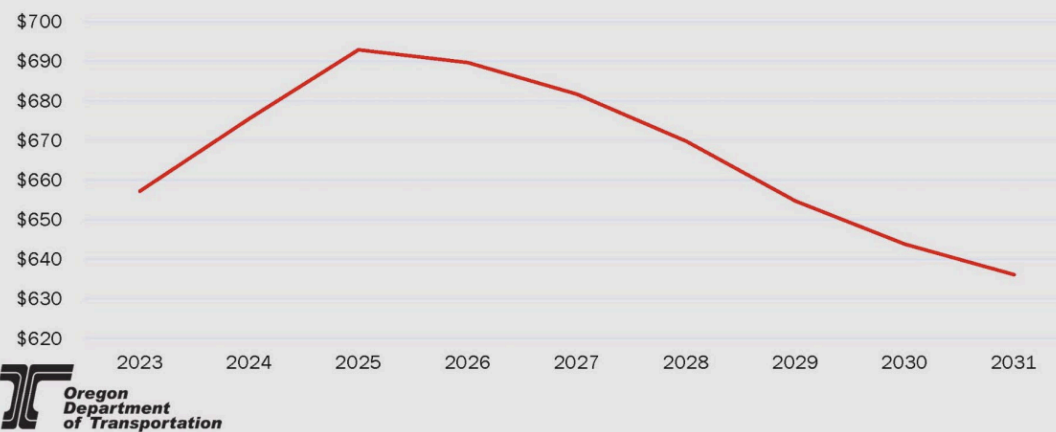
Transportation Revenue Source Information



This chart displays the State Highway Fund, which is the primary funding source for ODOT that the Legislature controls by raising the revenue and directing the Fund's allocations. There are also other funds in ODOT's \$6.1 billion biennial budget that, in most cases, cannot be used for Operations and Maintenance, including federal funds, the STIF for public transportation, lottery bonds, the privilege tax, and allocations from the General Fund.

Oregon Motor Fuels Tax Forecast

In millions of nominal dollars; April 2023 forecast



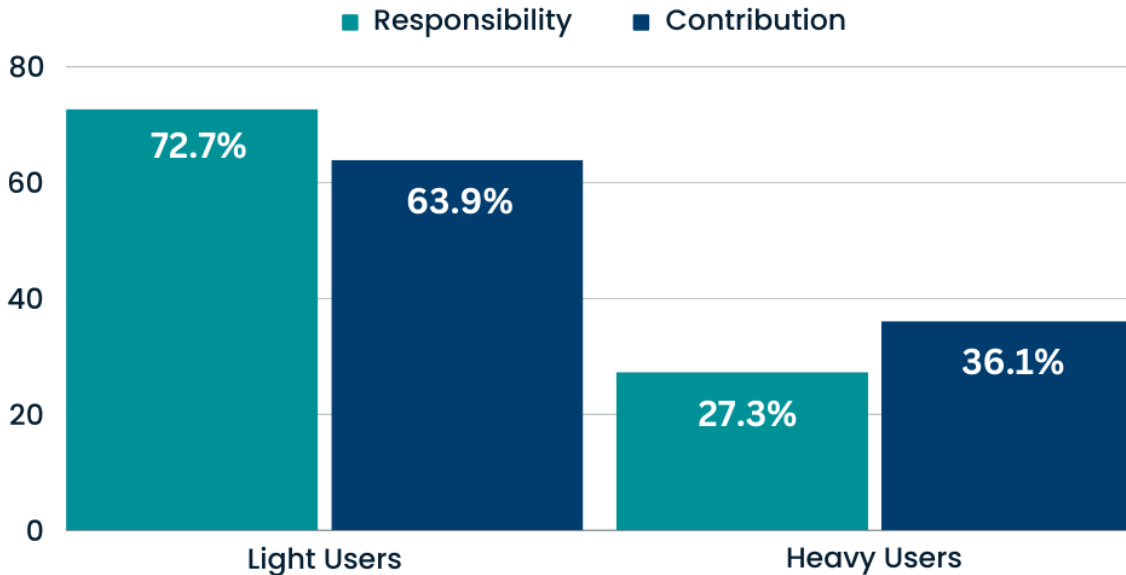
Review of the 2023 Highway Cost Allocation Study

During the 2024 Session, we will continue our analysis and review of the [2023 Highway Cost Allocation Study](#) (HCAS), which we began during the Joint Transportation Committee’s Legislative Days meeting in September 2023. This report provides critical information on **cost responsibility**, and we are making a commitment to take action in 2025 to ensure fairness in how transportation funding is allocated across users in Oregon.

- **Overview of Cost Allocation Requirement in Oregon** - Oregon bases the financing of its highways on the principle of **cost responsibility**, meaning that those who use the public roads should pay for them and, more specifically, that **users should pay in proportion to the road costs for which they are responsible. Achieving equity in cost responsibility is a Constitutional requirement. The Oregon Constitution also **requires a biennial review** (of the HCAS), and that **the State Legislature make adjustments in revenue sources to ensure fairness and proportionality.****
- **Important Findings of the 2023 Highway Cost Allocation Study** - The significant conclusion of the 2023 HCAS is that under existing tax rates and fees, **light vehicles are projected to underpay their responsibility by 12.2 percent and heavy vehicles are projected to overpay by 32.4 percent** during the next biennium. Over the past two studies, Oregon’s system of highway financing has shifted away from being equitable, with light vehicles currently paying less than the costs they impose.

THE EQUITY PROBLEM

This chart compares the “**cost responsibility**” of heavy and light vehicle users with the actual “**cost contribution**” that each group will pay as a percentage of state highway user revenues in the 2023-25 biennium.



| Equity Ratio, Full-Fee | | |
|------------------------|-------|-------|
| | Basic | Heavy |
| 2011 | 1.00 | 1.01 |
| 2013 | 0.99 | 1.01 |
| 2015 | 1.00 | 1.00 |
| 2017 | 1.01 | 0.99 |
| 2019 | 0.98 | 1.03 |
| 2021 | 0.93 | 1.16 |
| 2023 | 0.88 | 1.32 |

Review of the 2017 Section 75 Study

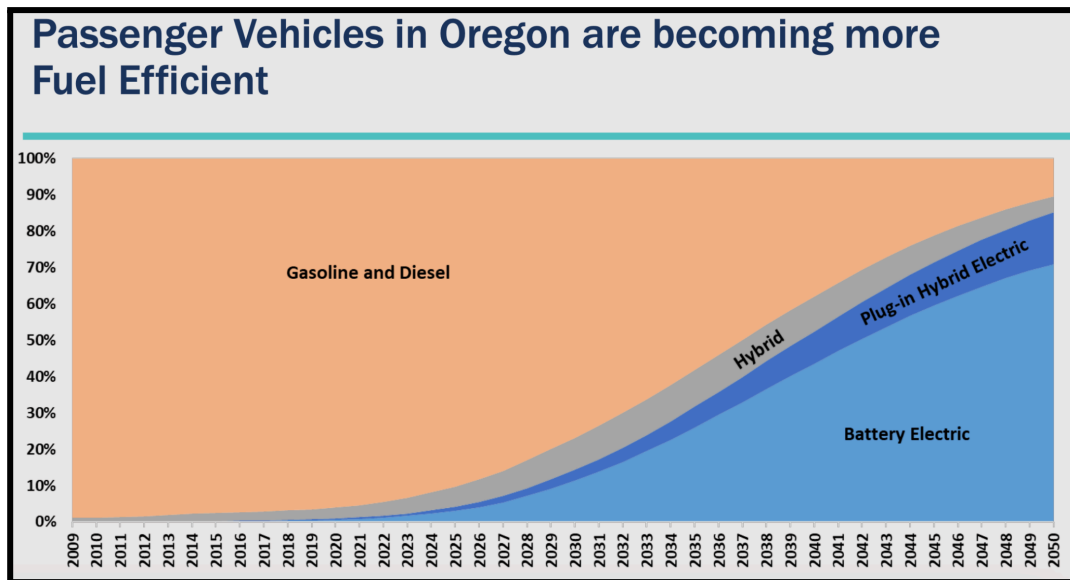
H.B. 2017 increased transportation user fees to pay for transportation investments. The bill set in motion a phased set of increases to the Weight-Mile Tax on heavy vehicles, the tax on motor fuels, and fees for the registration of vehicles in the state of Oregon. It also included a **requirement for studying whether the registration fee structure was equitable from the perspective of user responsibility**. In H.B. 2017, EVs paid a higher registration fee as a first attempt at ensuring EVs pay their fair share.

- **The Central Question of the 2017 Section 75 Study** - The Oregon Department of Administrative Services has the responsibility of **determining the proportionate share that users of vehicles are paying for the system**. The State Legislature, based on that determination, is responsible for the rebalance of the user fee system.
- **Equity Findings of 2017 Section 75 Study** - **The initial finding of the Section 75 Study is that basic vehicles with a rating of less than 20 MPG are paying more than their fair share of user fees. Vehicles with higher fuel efficiency do not currently pay their fair share of transportation user fees for the maintenance, operation, and improvement of roads.** This finding is true despite the tiered registration fees that levy higher fees on more fuel-efficient vehicles.

Basic Vehicle VMT, Cost Responsibility, Revenue, and Equity Ratios

| Vehicle Class | | Annual VMT | Annual Cost Responsibility | Baseline | | |
|-------------------------------|-----------------|----------------|----------------------------|------------------|---------------------|-------------------|
| | | | | Annual User Fees | Scaled Equity Ratio | Registration Fees |
| N/A | Under 20 MPG | 12,530,963,470 | 644,263,495 | 476,073,558 | 1.0568 | \$63 |
| N/A | 20 to 39 MPG | 18,303,174,025 | 941,034,334 | 512,016,447 | 0.7781 | \$68 |
| N/A | 40 MPG and over | 1,124,166,558 | 57,797,589 | 23,776,496 | 0.5883 | \$78 |
| EV | N/A | 361,068,523 | 18,563,877 | 8,651,039 | 0.6664 | \$158 |
| Basic Vehicle Subtotal | | 32,319,372,576 | 1,661,659,295 | 1,020,517,540 | | |
| All Vehicle Total | | 35,186,214,962 | 2,285,477,300 | 1,598,121,340 | | |

- **Effect on State Revenue - Increasing fuel efficiency generally increases underpayment and vehicles are becoming more fuel efficient in Oregon.**



- **Recommendations of the 2017 Section 75 Study -**
 - Increase vehicle registration fees to balance payments of vehicle classes
 - Simplify the tiered fee structure by eliminating the tiered title fee
 - Direct the Section 75 study be regularly updated or included in the HCAS
 - Evaluate the conversion to a motive-power registration system
 - Maintain a per-mile road usage charge for efficient vehicles as an opt-out option for higher registration fees
 - Ensure the totality of vehicle taxes, fees, and rebates incentivize the purchase of high-efficiency vehicles

Review of 2023 Work

In 2023, Co-Chairs Gorsek and McLain met with partners, jurisdictions, users of the facilities, and used the September and November Legislative Days’ hearings to further conversations relating to issues surrounding the 2025 Transportation Package. In addition, the Joint Committee on Transportation Subcommittee on Transportation Planning held three public meetings on funding needs and tools.

- **Decision-Making Process:** Worked with the Governor’s Office and Presiding Officers on the decision-making process for the 2025 Transportation Package:
 - Opportunity
 - Vision development
 - Problem Definition
 - Time frame

- **Special Subcommittee on Transportation Planning - 2023**

- The Joint Committee on Transportation, Special Subcommittee on Transportation Planning (SSTP) focused on a tolling program including five key areas of exploration: road system capacity, traffic, and congestion; expected outcomes of tolling on driver behaviors and travel patterns; effectiveness, safety, and diversion impacts of gantry locations; logistics of toll collection; and usage fees considerations.
- **Planning** - Co-Chairs of Joint Transportation and the Joint Subcommittee on Transportation Planning met several during the 2023 Interim and will continue to meet regularly.
- **Legislative Days Agenda - September 2023**
 - Purpose of the Special Subcommittee on Transportation Planning
 - Process to Address Proposed Tolling Plan
 - Overview of Subcommittee Work Plan
 - Foundational Background - Traffic and Congestion
 - Potential Infrastructure - Outcomes of Proposed Tolling Revenue
- **Legislative Days Agenda - November 2023**
 - Review issues raised at local meetings to date
 - Deep Dive 1 - Road system capacity, Traffic, and Congestion
 - ODOT presentation, including information on process and assumptions
Committee discussion and questions
 - Community Meetings on 12/2 and 12/14
 - Review issues raised at local meetings to date
 - Deep Dive 2 – Expected outcomes
 - ODOT presentation, including inform
- **Subcommittee Meeting Plan**
 - Four community meetings to review specific concerns and focus on congestion management, tolls, and gantry locations:
 - **I-5 Rose Quarter** - Saturday, December 2nd, 10:00 AM – 12:00 PM, Portland Community College Cascade Campus, Moriarty Arts and Humanities Auditorium
 - **I-205 East Portland** - Saturday, December 2nd, 4:00-6:00 PM, Portland Community College Southeast Campus, Community Hall Annex
 - **Wilsonville/Charbonneau/Lake Oswego/Tualatin** - Thursday, December 14th, 5:00- 7:00 PM, Wilsonville City Hall, Council Chambers
 - **Oregon City/West Linn/Gladstone** - Date and location to be determined.

- **Topics:**
 - Local Officials and Primary Stakeholder Engagement (up to 45 min)
 - Public Testimony (up to 30 min)
 - SSTP follow-up with questions to ODOT at the meeting or to respond at following meetings
- **2023 Legislative Days for Joint Transportation Committee**
 - **September, 2023 Agenda**
 - **[Presentation of 2023 Highway Cost Allocation Study](#)**
 - **[Presentation of House Bill 2017 Section 75 Report](#)**
 - **[Structural Challenges in Funding + Maintaining the Transportation System](#)**
 - **Update from Transportation Subcommittee**
 - **Update from Counties/Utilities Work Group**
 - **November, 2023**
 - **[Structural Challenges in Funding and Maintaining the Transportation System \(Continuation\)](#)**
 - **[Major Transportation Projects Update](#)**
 - **[Status Report of Newberg-Dundee Bypass Project](#)**
 - Update from Joint Subcommittee on Transportation Planning
 - **[Report from Counties/Utilities Work Group](#)**
 - **[Understanding Zero-Emission Vehicle Realities \(Informational only\)](#)**
- **Joint Transportation Co-Chairs Outreach for 2023**
 - **Transportation Meetings** - There have been **283 meetings on Transportation topics** related to the 2025 Package between June-December 31, 2023.
 - **[Click here for the list of Transportation meetings since June 2023](#)**
 - **Additional Transportation-Related Meetings** - There were an additional **47 meetings** from June-December 31, 2023, where Transportation was discussed but was not the primary topic.
 - **[Click here for the list of meetings since June 2023 that were also related to Transportation/Infrastructure](#)**
 - **Highlighted Meetings**
 - **June 3-4, 2023** - Co-Chair McLain attended NCSL’s Alternative Transportation User Fees Foundation Partnership Meeting in Salt Lake City, Utah
 - **July 10-11, 2023** - Co-Chair McLain was on a Legislator panel at the American Road & Transportation Builders Association’s National Workshop for State & Local Transportation Advocates in Washington, DC

- **August 16, 2023** - Co-Chairs Gorsek and McLain and Vice Chairs Boquist and Boshart Davis attended the Oregon Trucking Association Annual Conference
 - **November 28, 2023** - Co-Chairs Gorsek and McLain and Vice Chairs Boquist and Boshart Davis spoke to Oregon Business and Industries' Transportation Policy Committee
 - **December 4, 2023** - Co-Chair McLain was a panel member at the Westside Economic Forum Annual Luncheon
 - **December 5, 2023** - Co-Chairs Gorsek and McLain and Vice Chair Boquist attend the Oregon Transportation Forum Annual Board Meeting
 - **December 7, 2023** - Co-Chair McLain attended NCSL Transportation User Fees Conference in Austin, Texas with 18 states in attendance
 - **December 11, 2023** - Co-Chairs Gorsek and McLain and Vice Chair Boquist conducted a "Transportation Huddle" at the Oregon Business Plan Leadership Summit at Moda Center
-

SECTION 2: HIGH-LEVEL VISIONING

CONVERSATIONS AND DIALOGUE IN 2024

Infrastructure Connections to Important Policy Areas in 2024

- **Housing Connections** - Transportation and housing are interrelated and comprise the two largest household budget expenses. Choices in these areas are connected and affect a household's quality of life, physical environment, health outcomes, economic mobility, educational and cultural opportunities, and many other factors.
 - **Transit and Housing** - Housing within walking distance of high-quality transit is often more expensive due to the proximity of urban amenities, services, and jobs. However, higher costs can be offset by lower transportation costs leading to potential net gains in overall affordability. Considering location and transportation accessibility in selecting sites for new affordable housing can help create connected communities.

- **Jobs/Semiconductor Industry Connections**
 - **Transportation and Job Opportunities** - The impact of transportation as a barrier to employment opportunities is a reality in most communities, including rural, suburban, and urban environments. In many areas, the lack of affordable and reliable transportation options can also make it difficult for low-income families to access job opportunities.

 - **Semiconductor/High Tech Industry Growth** - Technology-oriented business sectors, like the Semiconductor Industry, rely on clustering in specific locations with access to a large skilled workforce, R&D centers, and information sharing. Oregon, and particularly Washington County, is already one such cluster, and as we try to attract and keep Semiconductor-related businesses in our State, we have to consider the important role that transportation infrastructure plays. Companies like Intel require sufficient road capacity and public transit accessibility to attract and keep employees and freight routes that allow the convenient disbursement of their products in order to thrive. Our success depends on the infrastructure that we can provide to the companies and the talent that we are trying to attract. These transportation requirements are not just needed by our High-Tech partners but also in all economic sectors, including Agriculture, Shipping, and Clean Energy.
 - See: ['Talent Wants Transit': Companies Near Transportation Gaining The Upper Hand](#)
 - See: [Why Infrastructure Matters: Rotten Roads, Bum Economy](#)

- **Childcare Connections** - A lack of affordable transportation options affects both parents looking for childcare and the ability of communities to attract quality childcare providers. In particular, workers often have difficulty accessing childcare services by transit because daycare centers are not close to work centers. Daycare needs to be closer to job sites.

- **Climate/Environmental Connections** - Through the 2025 Transportation Package, we have the opportunity to center sustainability in Oregon's transportation policies. Here are just a few examples of where climate-conscious policies will impact our system's overall carbon footprint and ensure we are prepared for what climate change will bring to our region:
 - Expanding multimodal transportation options, especially through investment in public transit and bike/pedestrian opportunities.

 - Study and action to continue the goal of reduction of emissions

 - Building our infrastructure to be resilient, not just to seismic risks but also to the potential impacts of climate change

- **Equity-Focused Connections** - Transportation planning decisions can have large and diverse equity impacts, and depending on the direction of a policy, can either increase inequities in communities or be an important tool for alleviating them and ensuring Environmental Justice. According to the [U.S. Department of Transportation](#), “equity in transportation seeks fairness in mobility and accessibility to meet the needs of all community members. A central goal of transportation is to facilitate social and economic opportunities by providing equitable levels of access to affordable and reliable transportation options based on the needs of the populations being served, particularly populations that are traditionally underserved.” Here are just a few examples of how Oregon is centering equity through our infrastructure projects:
 - **The Rose Quarter Improvement Project** - With the upcoming 2025 Transportation Package, we have an opportunity through projects like the Rose Quarter to reconnect a community that was unjustly torn apart with the expansion of the I-5 through North Portland.

 - **The Interstate Bridge Replacement Project** - The Interstate Bridge Replacement (IBR) program has demonstrated a strong commitment to centering equity in its processes and, ultimately, the outcomes. The program is engaging communities, elevating the voices of our equity-priority communities throughout the program development process, and ensuring these communities receive the program’s economic and transportation benefits. The program has also made a steadfast commitment to not do further harm to these communities through the planning, development, and building stages of the new I-5 Bridge.

Descriptions of 2024 Tasks

- **Joint Transportation Decision-Making Process for 2024** - JCT Leadership, in consultation, coordination, and cooperation with the Presiding Officers and the Governor's office, has conducted ongoing conversations with users, advocates, and interested parties to gather input on the 2025 Transportation package:
 - **Beginning formal conversation meetings**
 - **Topic:** Visioning and Goals
 - **Second round of conversation meetings**
 - **Topic:** Problem Definition Review
 - Approximate timing of discussion priority and agreement
 - **Third round of conversation meetings**
 - **Topic:** Solution Framing
- **Continued conversation in January**
- **Short Session: February-March**
 - Conversation in Joint Transportation Committee
- **April-December: Legislative Days updates**
 - Continuing conversation on funding updates
 - Highway Cost Allocation Study review, conversation plan preparation for equitable cost responsibility - Legislative action to follow
- ***Possible Subcommittee or Work Groups - Theme: Back to Basics**
 - Funding Needs and Tools
 - Highway Preservation, Maintenance, and Seismic Upgrades
 - Traffic Congestion and Freight Mobility, and Multimodal Freight
 - Public Transportation - Transit, Rail, Bike/Ped
 - Safety: Great Streets, Urban Arterials, Safe Routes to Schools, and System Safety

**Decisions on work groups will be made by the Joint Transportation Co-Chairs and Vice-Chairs in consultation with Leadership teams*

- **State Transportation Conversations Across Rural and Urban Communities for 2025 Package**
 - Locations and dates to be decided
 - Joint Transportation Leadership Team, LPRO Staff, and Speaker/Presidents office will work on planning together

- **Issue-Identification for Products to Include in the 2025 Package**
 - **Safety:**
 - All modes of Transportation (bike/ped/rolling, public transit, Safe Routes to School, vehicles on our streets)

 - **Multimodal components that need investment**

 - **Operation and maintenance:**
 - including: maintaining roadways and operating the Agency, which includes DMV, Weight Mile Stations, Safety Inspections, Contracting, and IT Functions

 - **Equity considerations**
 - Highway Cost Allocation Study review continued
 - 2017 Section 75 Report
 - All users must bear a cost responsibility (electrified vehicles and e-bikes, vehicle miles traveled considerations, and other user fees)

 - **Investment in reliable transportation options with climate and resiliency goals**

 - **Finish ODOT projects that have received major investments**
 - Rose Quarter
 - I-5 Bridge
 - I-205
 - Other projects under review
 - Urban arterials discussion
 - Technology considerations for mid and long-range Transportation planning
 - Labor Standards

- **Special Subcommittee on Transportation Planning - 2024**
 - **Meeting 7 – January Legislative Days**
 - Deep Dive 3- Gantry locations
 - ODOT presentation, including information on process and assumptions (60 minutes)
 - Committee discussion and questions (60 minutes)
 - ODOT implementation reports (due December 15th)
 - Equity and Mobility Advisory Committee recommendations

- Statewide Toll Rulemaking Advisory Committee recommendations
- **Meeting 8 – February Legislative Session**
 - Deep Dive 4 – Toll collections (logistics; technology)
 - ODOT presentation, including information on process and assumptions (60 minutes)
 - Committee discussion and questions (60 minutes)
 - Meeting 9 – February Legislative Session
 - Deep Dive 5 – Toll rate (fee)
 - ODOT presentation, including information on process and assumptions (60 minutes)
 - Committee discussion and questions (60 minutes)
- **Meeting 10 – February Legislative Session**
 - Committee discussion of potential outcomes or alternatives
 - Committee Discussion of observations in anticipation of the report to Joint Committee
- **2024 Joint Transportation Legislative Days**
 - **January 12, 2024 Agenda**
 - **Possible Introduction of Committee Legislative Concepts**
 - **Cascadia Corridor High Speed Rail**
 - **Presentation of Report Airport Resiliency (House Bill 3058, 2023)**
 - **Innovation in Transportation Technology**
 - **Committee Discussion of 2024 and 2025 Session Framework**
 - **Post-Session Legislative Days to be determined**

Basic Framework for Statewide Dialogues

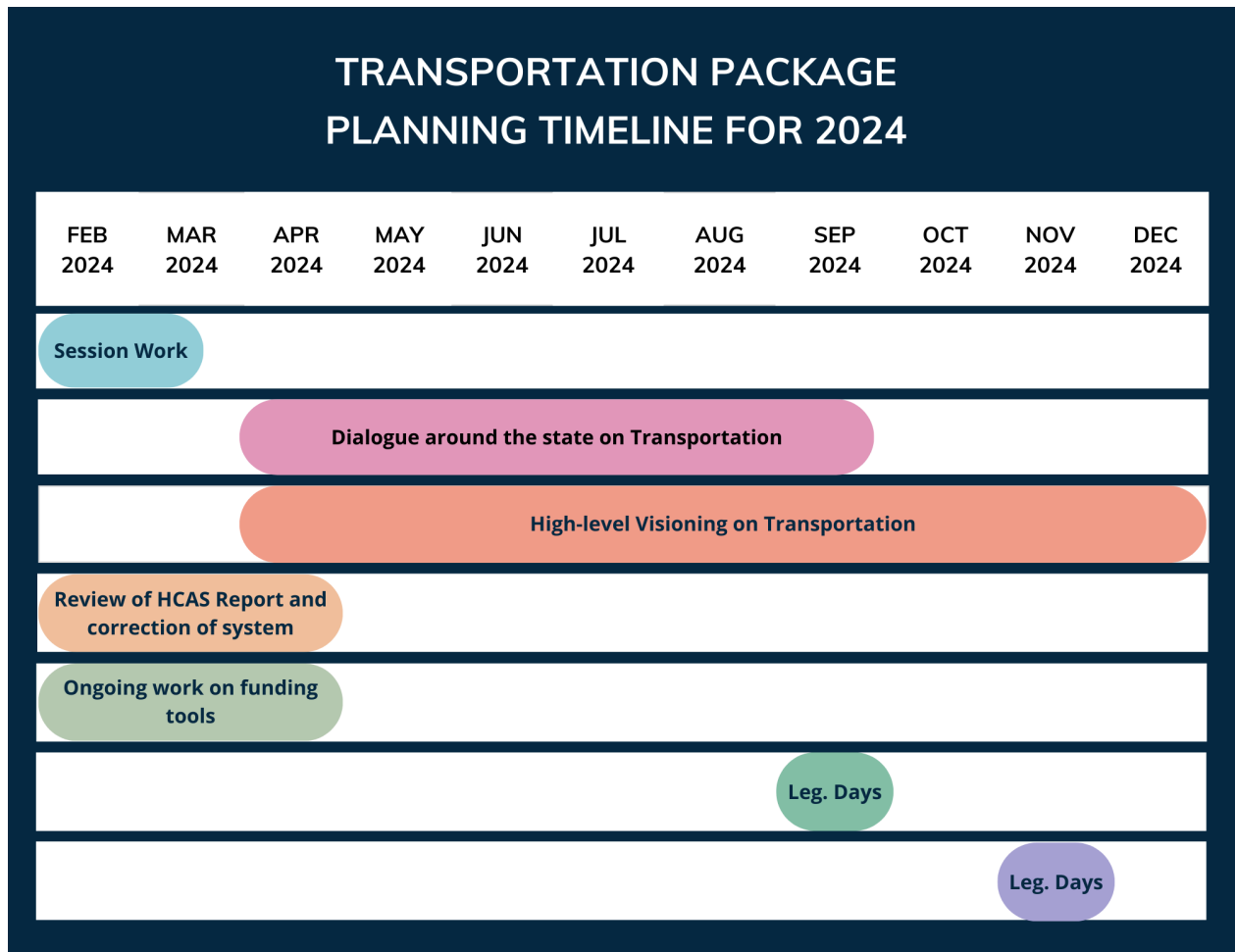
The Joint Transportation Committee, the Oregon Transportation Commission, and members of the Governor’s Office will hold a series of public meetings across the state in 2024 to listen to and receive feedback from both the general public and our jurisdictional partners. Similar to the successful listening tour conducted for **H.B. 2017 (2017)**, these meetings will ensure that the decision-making group hears the priorities of a diverse set of voices from all regions in the State. This work is necessary to draft a comprehensive plan that holistically addresses the challenges and opportunities for our Transportation System.

- **April - October 2024 Outreach Conversations** - LPRO staff, Joint Transportation Leadership, the Speaker and President’s Offices, the Governor’s Office, and ODOT will coordinate scheduling and setup

- **Tentative Dates and Locations:** Supplied by LPRO Staff Patrick Brennan at the request of the Co-Chairs of Joint Transportation:
 - **Wednesday, March 27:** Portland area (PSU Smith Center, PCC Sylvania Campus)
 - **Wednesday, April 17:** Tillamook or Astoria (Tillamook County Fairgrounds)
 - **Thursday, May 2:** Klamath Falls
 - **Wednesday, May 15:** Coos Bay (SW Oregon Community College, Coos Bay City Hall)
 - **Wednesday, May 29:** Woodburn or Albany (Woodburn H.S., Linn Benton C.C.)
 - **Wednesday, June 12:** Burns or Ontario (Malheur County Commission Chambers)
 - **Thursday, June 13:** Baker City or Pendleton (Baker City Armory, Blue Mountain C.C.)
 - **Friday, June 28:** Eugene (University of Oregon)
 - **Tuesday, July 16:** Medford or Grants Pass (Medford City Hall, Medford Public Library)
 - **Thursday, July 25:** Bend or Redmond (Bend Senior Center, OSU Cascades, Fair & Expo Center)
 - **Thursday, August 15:** Beaverton or Hillsboro (Washington County Commission)
 - **Other possible cities to visit as alternative/additions include:**
 - The Dalles/Hood River
 - Roseburg
- **Basic Issues/Conversations**
 - Funding Tools
 - Operation and Maintenance
 - Multimodal opportunities
 - Project completions

Important Approximate Dates for the 2024 Calendar

- **January 10-12, 2024** - Legislative Days Committee discussions
- **February 5 - March 10, 2024** - Short Session discussions in Joint Transportation Committee and Joint Transportation Special Subcommittee on Transportation Planning
- **April-December 2024** Legislative Days updates
- **April-October 2024** Statewide Outreach
- **November 2024** Legislative Draft requested and started



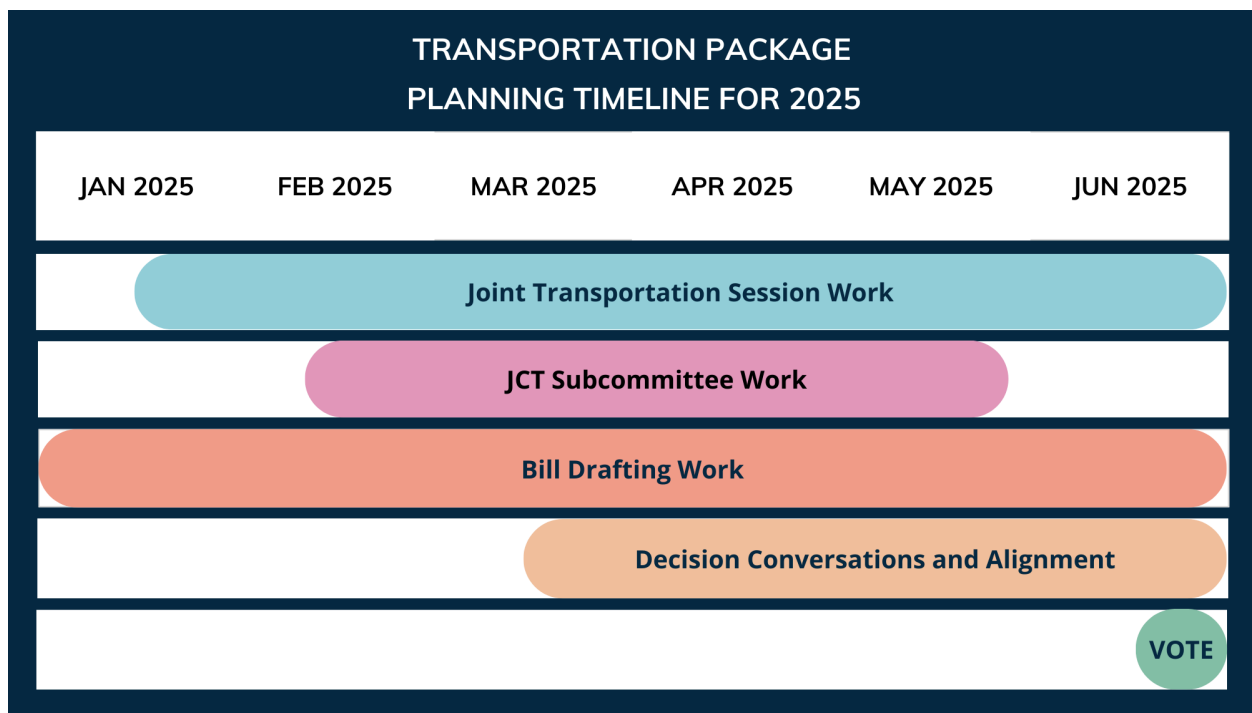
SECTION 3: JOINT TRANSPORTATION COMMITTEE WORK ON THE 2025 TRANSPORTATION PACKAGE

Descriptions of 2025 Tasks for Joint Transportation

- Solution framing continuing conversations and prioritization
- Public outreach continued and expanded
- Package components finalization and agreement
- Final funding mechanisms discussion and agreement
- Completed 2025 Package bill concept review and agreement

Important Approximate Dates for the 2025 Calendar

- **January 2025** - Legislative Days - Joint Transportation meeting update on the 2025 Transportation Package progress
- **February 2025** - Setup subcommittees membership and schedule
- **February - May 2025** - Joint Transportation updates and conversation, subcommittee work time, development of 2025 Package documents
- **March - June 2025** - Decision conversations and agreement reached and bill finalized



APPENDIX: INFORMATION SOURCES

[ODOT's H.B. 2017 Funding Information website](#)

[H.B. 2017 -10 Summary on OLIS](#)

[2023-25 Highway Cost Allocation Study](#)

[Oregon Transportation Commission H.B. 2017 Section 75 Study Report](#)

[Effects of Transportation on Early Childhood Development - Bernard van Leer Foundation](#)

[Cultivating Connection Between Economic Development & Child Care - Cornell University](#)

[Transit-Accessible Child Care Study - Minnesota Metro Transit](#)

[Oregon Transit and Housing Study - ODOT, 2022](#)

[Clusters and Innovation Districts: Lessons from the United States Experience - Brookings](#)

[NCSL Transportation User Fees Conference - December 7th, 2023 in Austin, TX](#)

- **Congestion and Cordon Pricing**
Ginger Goodin, partner, Blue Door Strategy and Research | [**Presentation**](#)
- **State Transportation Network Company and Delivery Fees**
Sen. Faith Winter, Colorado General Assembly | [**Presentation**](#)
Rep. Steve Elkins, Minnesota Legislature
- **Commercial Vehicle Road Usage Charging**
Marygrace Parker, director, Freight Program, The Eastern Transportation Coalition | [**Presentation**](#)
Lauren Prehoda, road charge program manager, California Department of Transportation | [**Presentation**](#)
Carmen Martorana, executive director/CEO, International Fuel Tax Association Inc. | [**Presentation**](#)
- **Transportation User Fees Conversation with Auto Industry**
Wayne Weikel, vice president, state affairs, Alliance for Automotive Innovation | [**Presentation**](#)

- **Pros and Cons of Different State Agencies Administering a RUC**
Travis Dunn, vice president, CDM Smith | [Presentation](#)
Marcy Coleman, vehicle program manager, American Association of Motor Vehicle Administrators | [Presentation](#)
Nathan Lee, technology and innovation director, Utah Department of Transportation | [Presentation](#)
- **Virginia Mileage Choice Program Update**
Scott Cummings, assistant commissioner for finance, Virginia Department of Motor Vehicles | [Presentation](#)

ARTBA Public-Private Partnerships in Transportation Conference - July 11th, 2023 in Washington, DC

- Program for conference [available here](#)

NCSL Transportation User Fees Conference - June 4th, 2023 in Salt Lake City, UT

- **The Problem: Transportation Revenue Forecast**
Ed Regan, Ed Regan Consulting | [Presentation](#)
- **America's Perception of Road Usage Charging**
Jen Ryan, state relations director, AAA | [Presentation](#)
Roshini Durand, senior project manager, CDM Smith | [Presentation](#)
- **Road Usage Charging Update**
Trish Hendren, executive director, the Eastern Transportation Coalition | [Presentation](#)
Cameron Kergaye, director of research, Utah Department of Transportation | [Presentation](#)
- **Tolling Programs**
Andrew Fremier, executive director, Metropolitan Transportation Commission | [Presentation](#)
Christopher Tomlinson, managing director, Deloitte Consulting | [Presentation](#)
- **Electric Vehicle Charging Fees**
James Campbell, director, innovation and sustainability policy, PacifiCorp | [Presentation](#)
Tim Reilly, policy director for sales and excise taxes, Iowa Department of Revenue | [Presentation](#)

The Legacy of HB 2017

February 6, 2024

Joint Committee on Transportation

Oregon Department of Transportation

Roadmap

- HB 2017 Background, Passage, and Implementation
- HB 2017 Construction Program
- Connect Oregon Program
- Statewide Transportation Improvement Fund
- Safe Routes to School Program
- Urban Mobility Strategy
- HB 2017 Today

HB 2017 Background



- **2015-2016:** Gov. Brown's Transportation Vision Panel toured the state to learn about Oregonians' priorities. The panel recommended significant investments in the state's transportation system.



- **2016:** The Joint Committee held 13 meetings in 10 communities throughout Oregon.



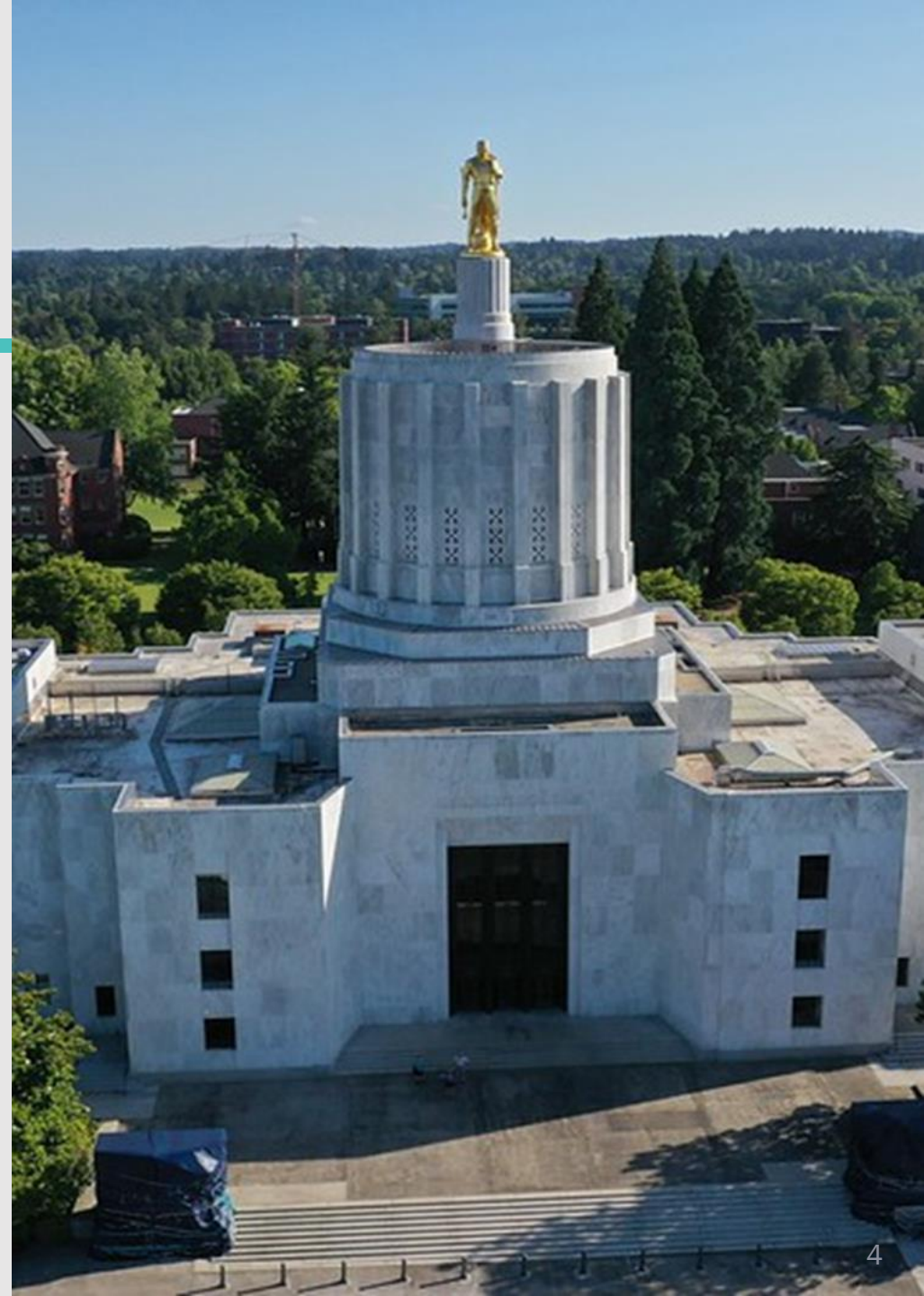
- **2016:** The Legislature convened the Joint Committee on Transportation Preservation and Modernization to gather information regarding transportation needs and concerns across the state.



- **2017:** The Legislature passed House Bill 2017, making significant investments in Oregon's transportation system.

Central Themes of HB 2017

- Transportation Investments
- Congestion Relief
- Safety
- Transparency & Accountability
- Diversifying Revenue



HB 2017: Transportation System Investments



Created **Statewide Transportation Improvement Fund**, expanding and enhancing transit connectivity and bus services in rural and urban communities.



Accelerated the transition to **electric and zero emission vehicles** through funding purchaser rebates.



Supported **roadway and multimodal improvement projects** across the state through increase in the **Statewide Transportation Improvement Program**.



Made **Connect Oregon** a permanent program with new funding mechanism and dedicated investments for **bicycle and pedestrian infrastructure**.



Created **Safe Routes to Schools Program** infrastructure to increase students walking and biking to school safely.

HB 2017: Congestion Relief



Directed **tolling on I-5 and I-205** to manage congestion and generate revenue for future transportation improvements.



Directed the **OR 217 project** to increase safety, manage congestion, and create new bike/ped options.



Directed the **I-205 Improvements Project and I-205 technology improvements**, to enhance seismic resiliency, improve safety and reliability, and manage congestion.



Directed the **I-5 Rose Quarter project**, to increase safety and reliability, create community connections, and build new bike/ped options.

HB 2017: Safety



Invested in projects across the state for **safety and seismic upgrades.**



Invested in projects across the state to **improve state bridges, highways, and culverts.**



Directed **jurisdictional transfers** between ODOT and local governments.



Invested in **roadside rest area** improvement and maintenance.



Directed **use of salt** in statewide winter maintenance strategy.



Provided historic levels of investment to cities and counties for **improvements and maintenance of local infrastructure.**

HB 2017: Transparency & Accountability



Each fuel tax increase conditioned on ODOT meeting **accountability requirements**.



All gas tax funds must be **spent on roads**, so they can't be diverted for other purposes.



OTC appointed the **Continuous Improvement Advisory Committee**.



ODOT and local governments **report on the condition of roads and bridges**.



ODOT created a **transparency, accountability, and performance website**.



Strengthened OTC oversight and direction of ODOT **internal audits**.

Sources & Distribution of HB 2017 Revenue

NEW (non-State Highway Fund)

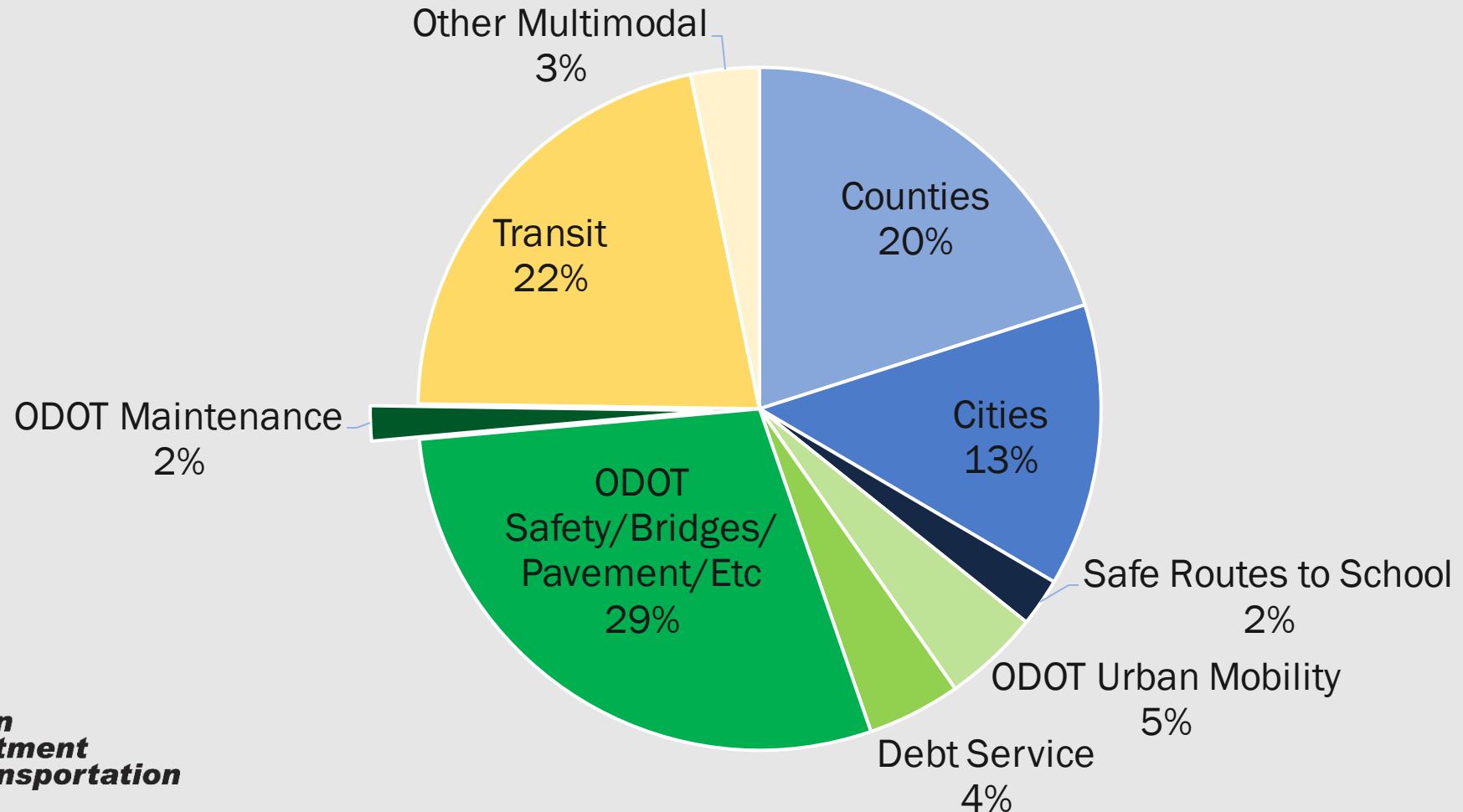
| | | | | |
|---|---|--|---|---|
| 0.1% Payroll (Transit) Tax | → | Statewide Transportation Improvement Fund (STIF) | → | <ul style="list-style-type: none"> Expand and/or improve transit options Increased connectivity |
| \$15 Bike Excise Tax | → | Multimodal Active Transportation Fund | → | Bike/Ped off-system projects |
| Light Vehicle Dealer Privilege Tax <i>- After 45% to DEQ for EV Rebate Program</i> | → | Connect Oregon | → | Dedicated projects, Connect Oregon Program |

INCREASED (State Highway Fund)

| | | | | |
|---------------------------------------|---|--------------------|---|--|
| Light Vehicle Use Tax <i>(new)</i> | → | State Highway Fund | → | <u>Off-the-top</u> <ul style="list-style-type: none"> \$15M/year for Safe Routes to Schools \$30M/year for the Urban Mobility Strategy |
| Weight-mile Tax | | | | <u>Apportionment</u> <ul style="list-style-type: none"> 50% to ODOT <ul style="list-style-type: none"> \$10M Safety 70% Bridge and Seismic 24% Preservation 6% Maintenance 30% to Counties 20% to Cities |
| Motor Fuels Tax | | | | |
| DMV Vehicle Registration & Title Fees | | | | |

HB 2017 Funding Distribution

Forecast for FY 2025; \$658 million total projected revenue

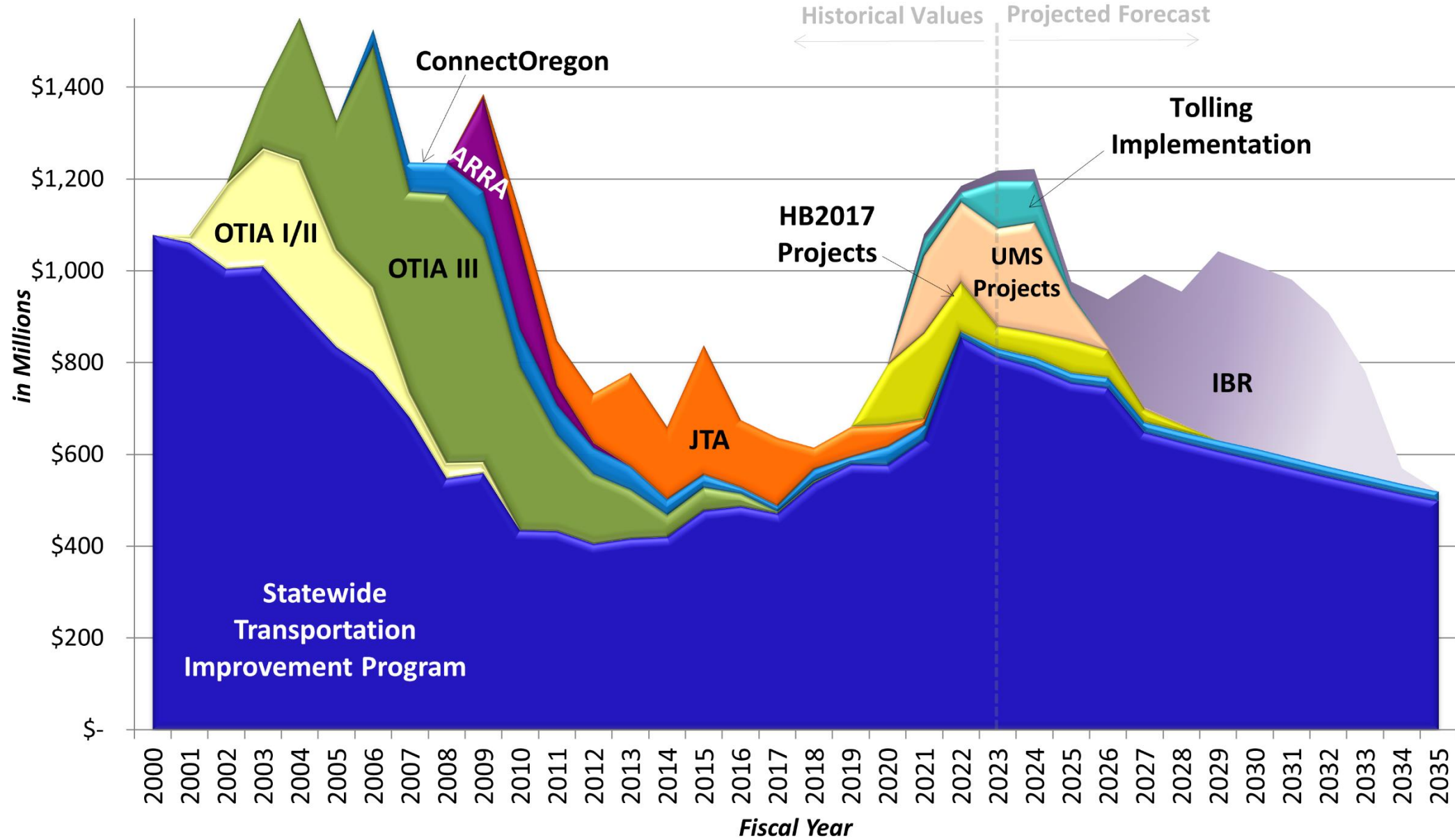


HB 2017 Construction Program

Mac Lynde

Administrator, Delivery and Operations Division

ODOT Construction Programs Adjusted for Inflation Baseline Year 2023



HB 2017: Project Funding 2018 - 2027



- **Legislatively directed projects** funded by state highway funds and bond proceeds:
 - 15 Local projects.
 - 22 State projects.
- **Annual ODOT Funding**
 - Safety: \$10 million
 - Bridges: \$71 million (40%)
 - Seismic: \$53 million (30%)
 - Pavements/Culverts: \$42 million (24%).
 - Maintenance (*operations only*): \$10 million (6%).

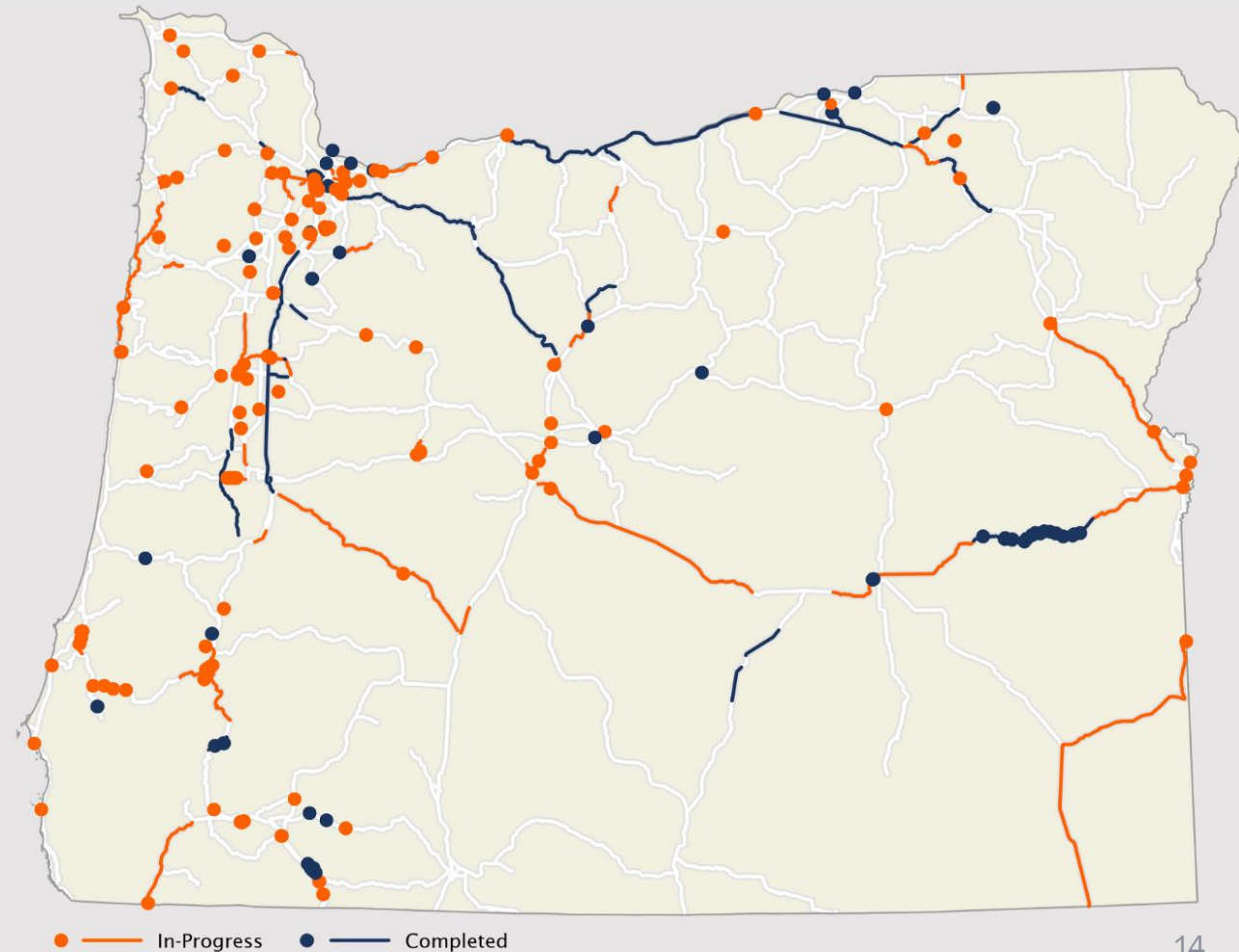
HB 2017: Portfolio Delivery

Named Projects on State System

- Per legislative direction, projects staggered to start 2018-2025 (based on cash flow).
- Funding leveraged with federal funds and grants.
- 10 completed, 6 in construction, 6 planned for construction in 2024/2025.

STIP Projects

- Ongoing investment in transportation assets.
- Benefit to urban and rural communities.



HB 2017: STIP Project Delivery Performance

STIP Projects

- 4-year project plan updated every 3 years
- Snapshot in time through 2027
- Adjusting portfolio of projects to meet inflation impacts

Key Stats

145 projects varying in size, scope, scale (2018-2027)

- **2018 – 2021 STIP**
 - 25 projects completed (100% delivered)
- **2021 – 2024 STIP**
 - 53 projects in construction/completed
 - 18 projects in design for 2024 construction
 - 75% in construction/completed
- **2024 – 2027 STIP**
 - 49 projects identified (in initial design phase)

HB 2017 Progress: 9-year Snapshot



HB 2017: Project Outcomes 2018-2027



Bridges & Seismic

33 replacements
513 rehabilitations



Pavement

500 miles paved
100 miles of chip seal



Safety

30 projects funded
11 addressed intersection safety
16 focused on vulnerable users



Culverts

90+ repaired or replaced

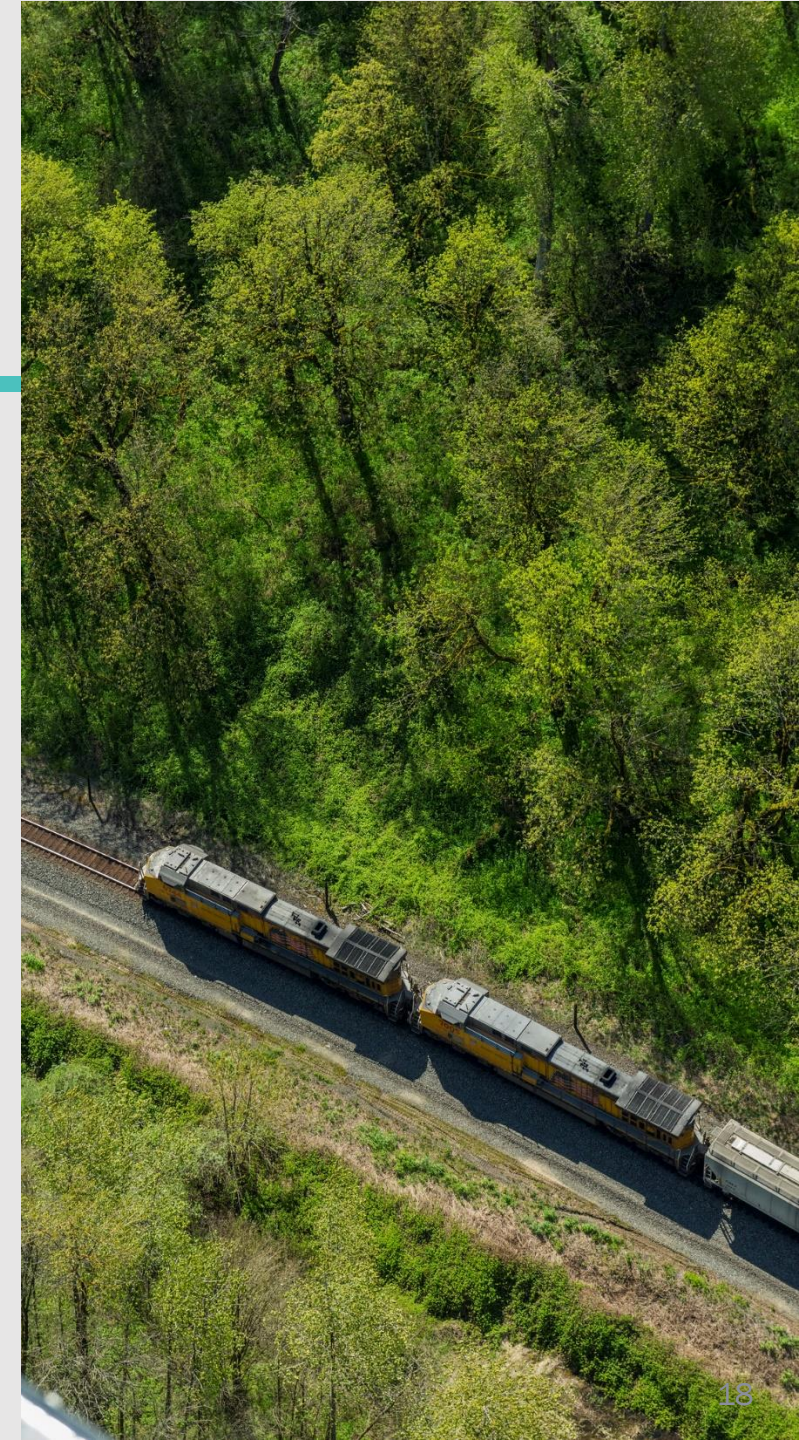
Connect Oregon

Amanda Pietz

Administrator, Policy, Data and Analysis Division

History of Connect Oregon

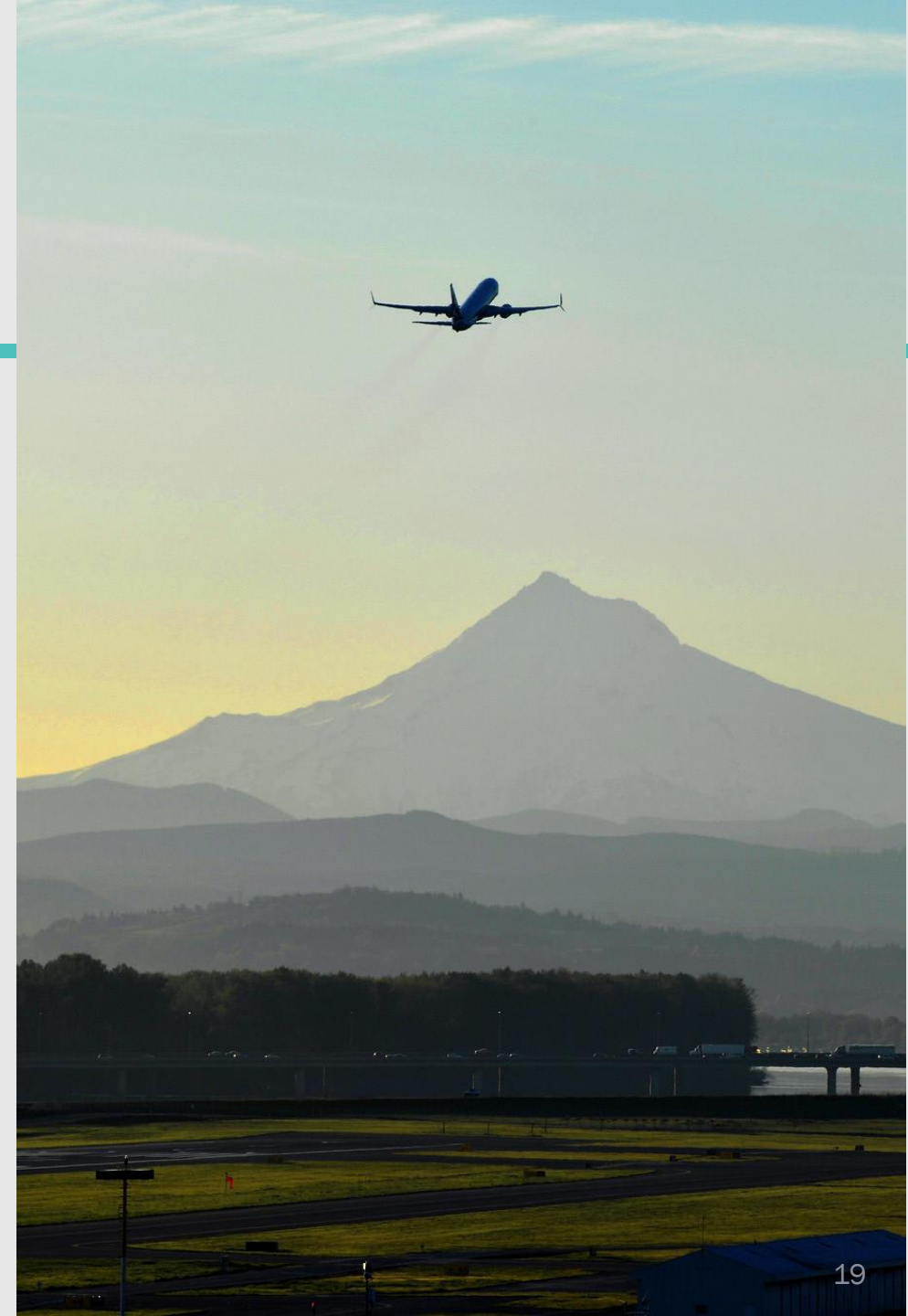
- The 2005 Legislature created the **Connect Oregon program** to invest in non-highway modes of transportation.
- The program is **unique to Oregon** and receives no federal funding.
- Prior to HB 2017, each of 6 competitive rounds were funded through **legislatively-directed lottery bond revenues each biennia**.
- Earlier rounds included **transit and bicycle & pedestrian** projects as eligible; those modes were shifted to other programs as result of HB 2017.
- Today, Connect Oregon funds **aviation, marine, and rail** transportation projects.



HB 2017 Changed Connect Oregon

HB 2017 created dedicated funding through the Light Vehicle Dealer Privilege Tax, making Connect Oregon a permanent program.

- 45% of privilege tax funds allocated to DEQ for EV rebates, minimum of \$12 million annually.
- HB 2017 enables a ~\$50M competitive cycle.
- HB 2017 statutorily dedicated 4 Connect Oregon projects.



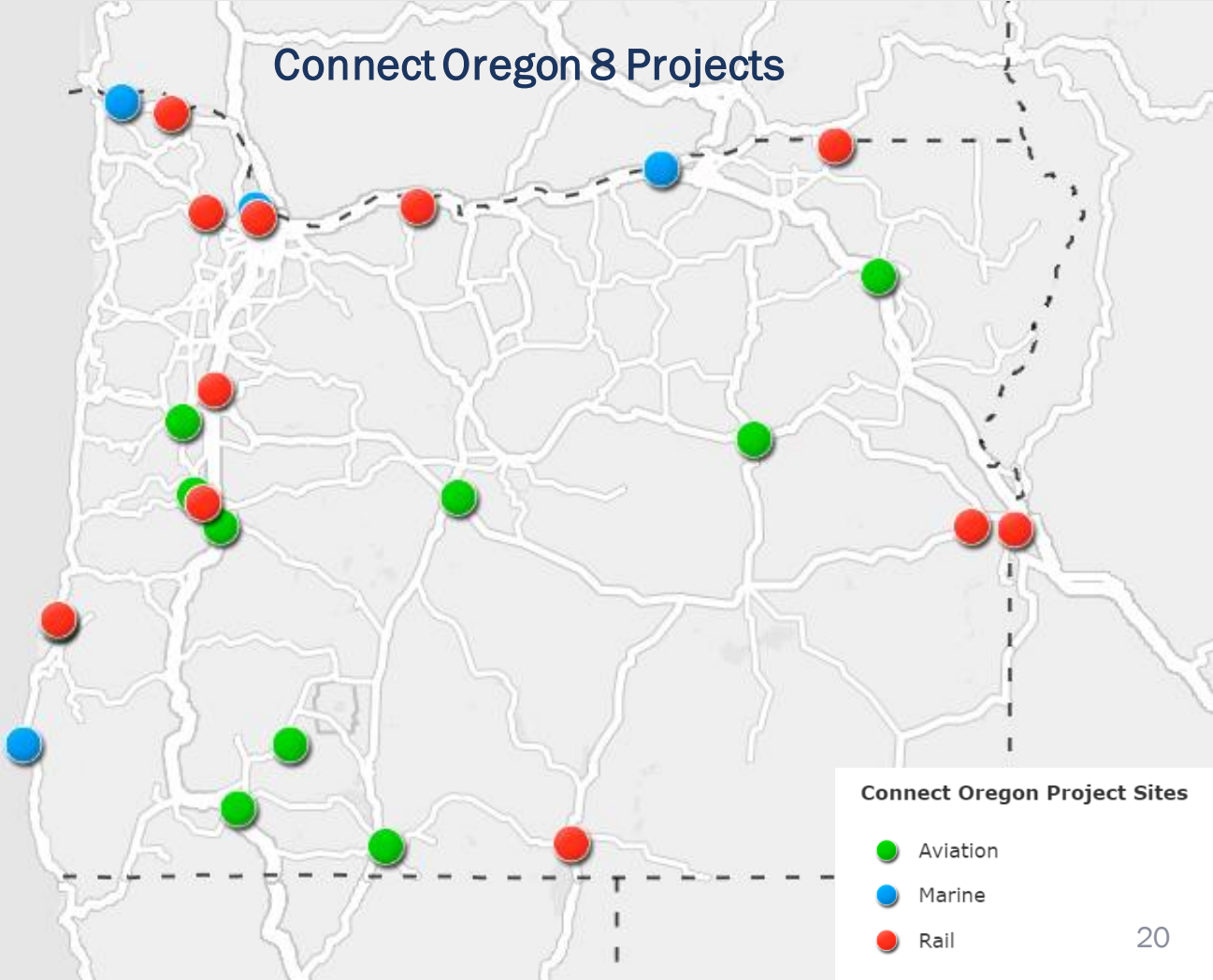
Connect Oregon Projects

7 competitive cycles between 2005 - 2022

- Over \$463 million awarded to 221 projects

Connect Oregon 8 (2021-22)

- \$130 million requested
- \$46 million awarded to 21 projects
- Over-subscribed nearly 3:1
- 15 projects on schedule
- 5 complete
- 1 canceled



Connect Oregon Spotlight: Port of Morrow

\$2.1 million for new grain bin

- Connect Oregon 8 project.
- Built on previous program investment directed in HB 2017 (\$6.5M).
- Brought in rail to barge exports that previously went through Canada.
- Supports High Efficiency Product rail cars.
 - Boosts weight capacity by 10% and volume by 15%.
- Services 8,500-foot-long unit trains.
- Transfer to barge avoids rail congestion through Columbia River gorge.



Statewide Transportation Improvement Fund

Suzanne Carlson

Administrator, Public Transportation Division

STIF Program Overview

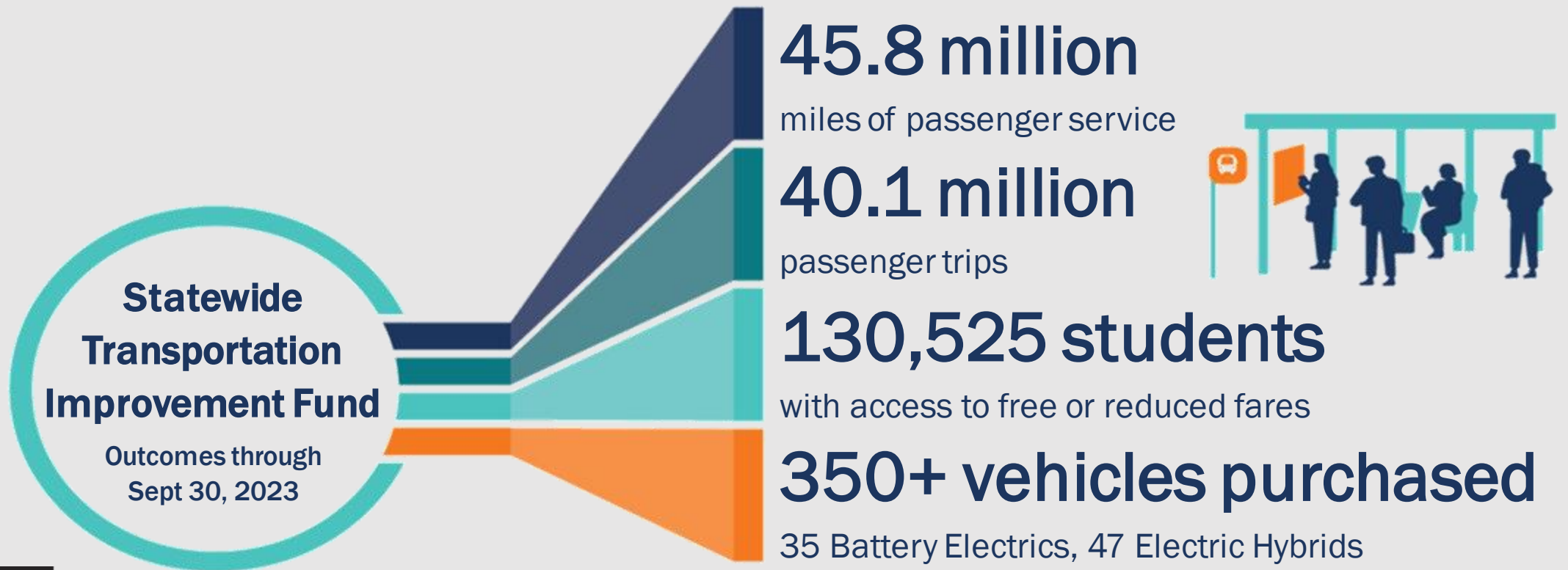
HB 2017 created the **Statewide Transportation Improvement Fund**, Oregon's first dedicated funding for public transportation.

- Instituted a 0.10% employee payroll tax.
- Allocated across four programs:
 - 90% formula to qualified entities
 - 5% intercommunity competitive
 - 4% discretionary competitive
 - 1% for a Technical Resources Center
- STIF 2023-25 Formula plans have over \$50M in elderly and disabled projects - up from \$22M per biennium prior to STIF.

At approximately **\$120M per year**, STIF tripled ODOT's funding to transit providers.



Expanding and Enhancing Oregon's Transit System



Transit Routes Made Possible with STIF Funding



Oregon Intercity Transit Network
FY 2023 - 2025



STIF Funded Routes



STIF Spotlight: Harney County

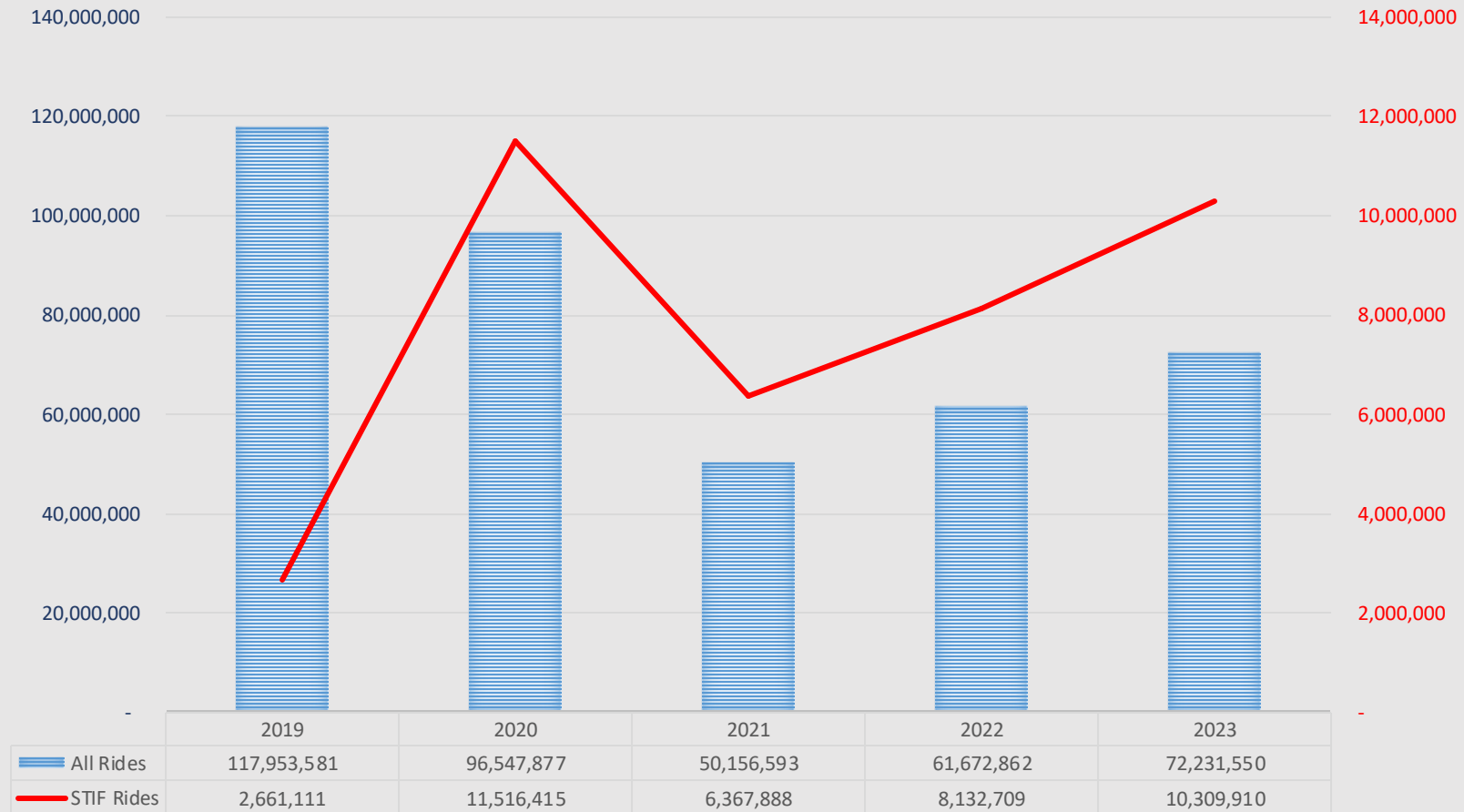
STIF enhanced livability for rural communities in Harney County.

- Provides free transit service in Burns, Hines, and the Burns Paiute Reservation.
- Harney Hub and the Burns-Paiute Tribe partnered in 2023 to provide free transit outside of Tribal transit service hours.
- Created a free fare transit connection to Bend.
- Purchased additional transit vehicles.
 - Replacing older fleet vehicles experiencing mechanical issues and higher milage.



Ridership Recovery and STIF

OREGON TRANSIT RIDERSHIP



Transit Funding and Ridership Landscape



Ridership Changes



Equity



Buses and Capital



Climate Goals

Safe Routes to School

Suzanne Carlson

Administrator, Public Transportation Division

SRTS Program Overview

- HB 2017 established Oregon's Safe Routes to School (SRTS) Infrastructure Program.
- Improve access so students can safely bike and walk to school.
- HB 2017 provided \$10 million per year beginning in 2018 and \$15 million per year beginning in 2023.
- Additional IIJA funds allocated by the OTC.
- SRTS is over-subscribed nearly 3:1.



SRTS Program Delivery

SRTS Projects (2019-23)

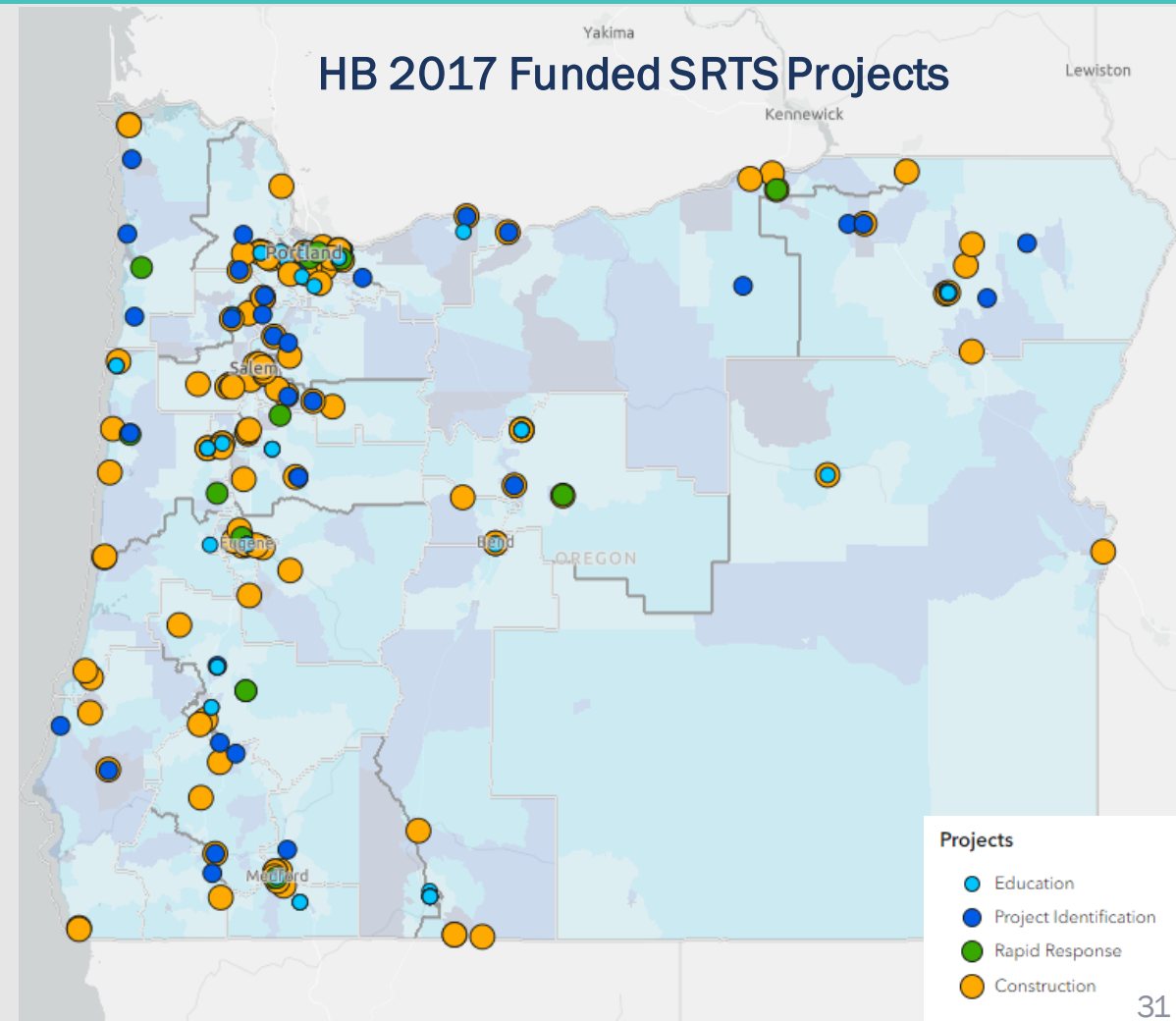
- 103 construction projects using HB 2017 funds
 - 33 complete
 - 14 in construction
 - 56 in design
- 24 education projects using federal funds

2023-24 competitive cycle

- \$73M in requests from 99 applicants
- ODOT funded \$28M (38%) of requests

Grant cycle opens February 2024 (\$30M)

- Projects begin January 2025



SRTS Spotlight: City of La Grande

Before Construction



After Construction



Urban Mobility Strategy

Brendan Finn

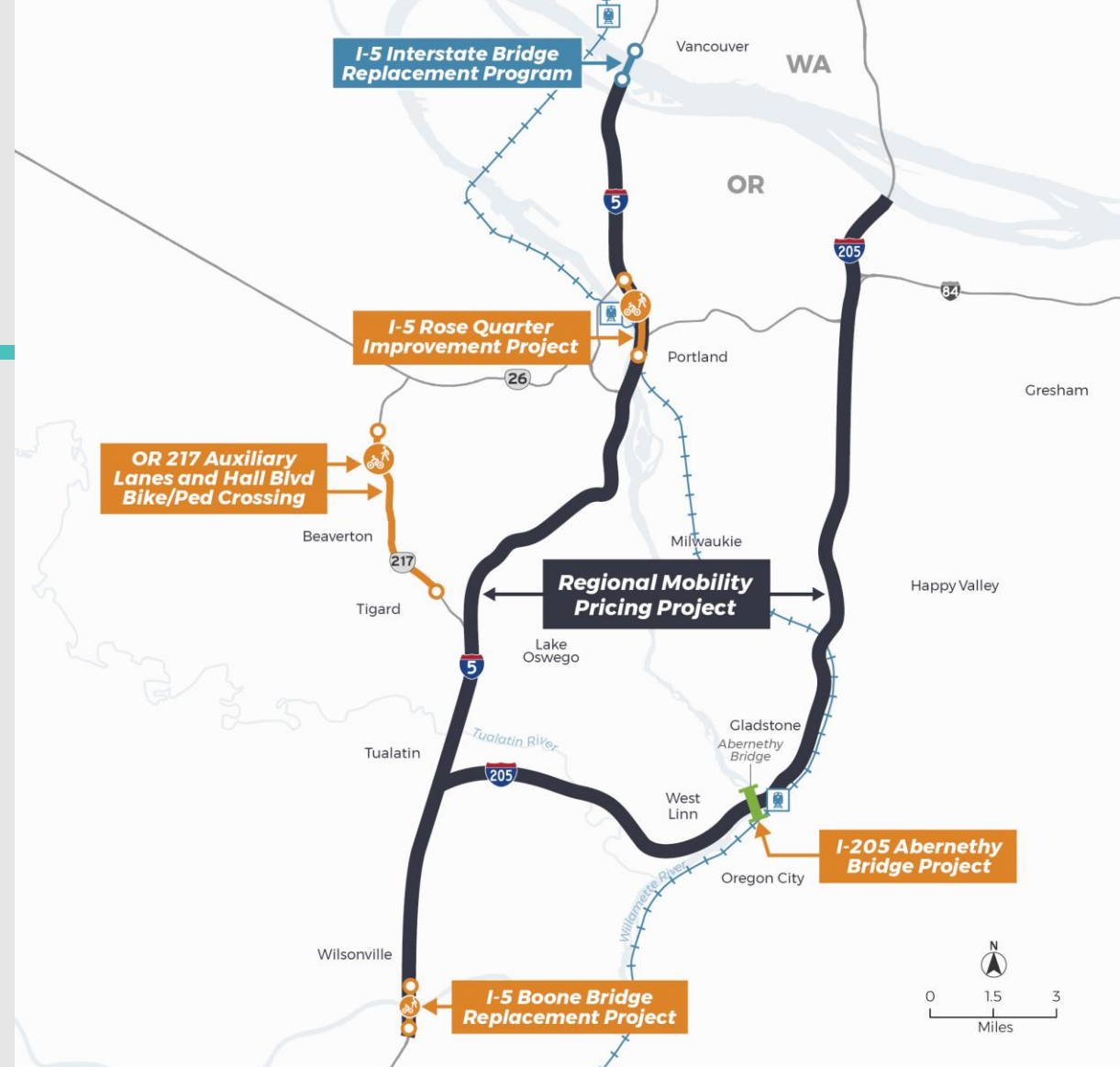
Director, Urban Mobility Office

Urban Mobility Strategy

The Urban Mobility Strategy was developed to reduce congestion, improve safety, and modernize our aging transportation system.

Urban Mobility Strategy projects directed by HB 2017:

- I-205 Improvements
- OR 217 Auxiliary Lanes
- I-5 Rose Quarter Improvement Project
- I-5 and I-205 Toll Projects



Urban Mobility Strategy Map

ODOT Projects

System Improvement Project

Bike/Pedestrian Crossing Project

Regional Mobility Pricing Project*

I-205 Toll Project

Partner Project with ODOT Support

System Improvement Project

Amtrak Cascades - Expanded daily service between Portland and Seattle

* The exact locations where tolls will be applied on I-5 and I-205 as part of the Regional Mobility Pricing Project will be determined during the federal National Environmental Policy Act (NEPA) process.

I-205 Abernethy Bridge Project

Status:

- Construction began 2022; project on track for completion by 2025.
- DBE and Local Hiring Preference goals.
- Seismic upgrades, bridge widening, improving nearby on- and off-ramps, improving local bike and pedestrian routes.

Funding:

- Budget \$660 million (\$275m of HB 2017 and STIP).
- \$385 million from expected tolling revenues.



Before Construction



During Construction

OR 217 Auxiliary Lanes

Status:

- Construction began December 2021; on track for estimated completion in 2025.
- 80% of the groundwork for the new auxiliary lanes is completed.

Location and work:

- Improve safety and reduce bottlenecks on OR 217.
- Bicycle/Pedestrian network improvements.
- Partnership with City of Beaverton and Washington County.

Funding:

- Budget: \$158 million (\$97m from HB 2017).



I-5 Rose Quarter Improvement Project

Status:

- Revised Supplemental Environmental Assessment and FHWA environmental decision anticipated for early 2024.
- Finalizing design of the early work packages.
- Working towards 30% design of main construction package.
- Applied for \$850M of Neighborhood Access and Equity federal funds in September 2023.

Location and Work:

- 1.8 mile stretch of I-5 in the Rose Quarter area.
- Auxiliary lanes and full shoulders to I-5, redesigning overpasses, highway cover, reconnecting neighborhood streets, and enhancing public spaces.

Funding:

- Total cost estimate: \$1.5 - \$1.9 billion (\$158m from HB 2017 and State funds)



Oregon Toll Program

Background

- HB 2017 directed OTC to study value pricing on I-5 and I-205 and establish a traffic congestion relief program.
- OTC initiated the Value Pricing Feasibility Analysis (2017) and submitted two tolling projects to the FHWA (2018).

Projects

- Interstate Bridge Replacement Program (Interstate Bridge toll).
- I-205 Toll Project (Abernethy Bridge toll).
- Regional Mobility Pricing Project (congestion pricing I-5 and I-205).

Status

- Toll collection will begin in 2026.
- Toll projects are in the federal environmental review phase.

Funding

- Program budget: \$255 million (\$196 million from HB 2017, \$59 million from statewide and federal funds).
 - Does not include IBR toll budget and funding.

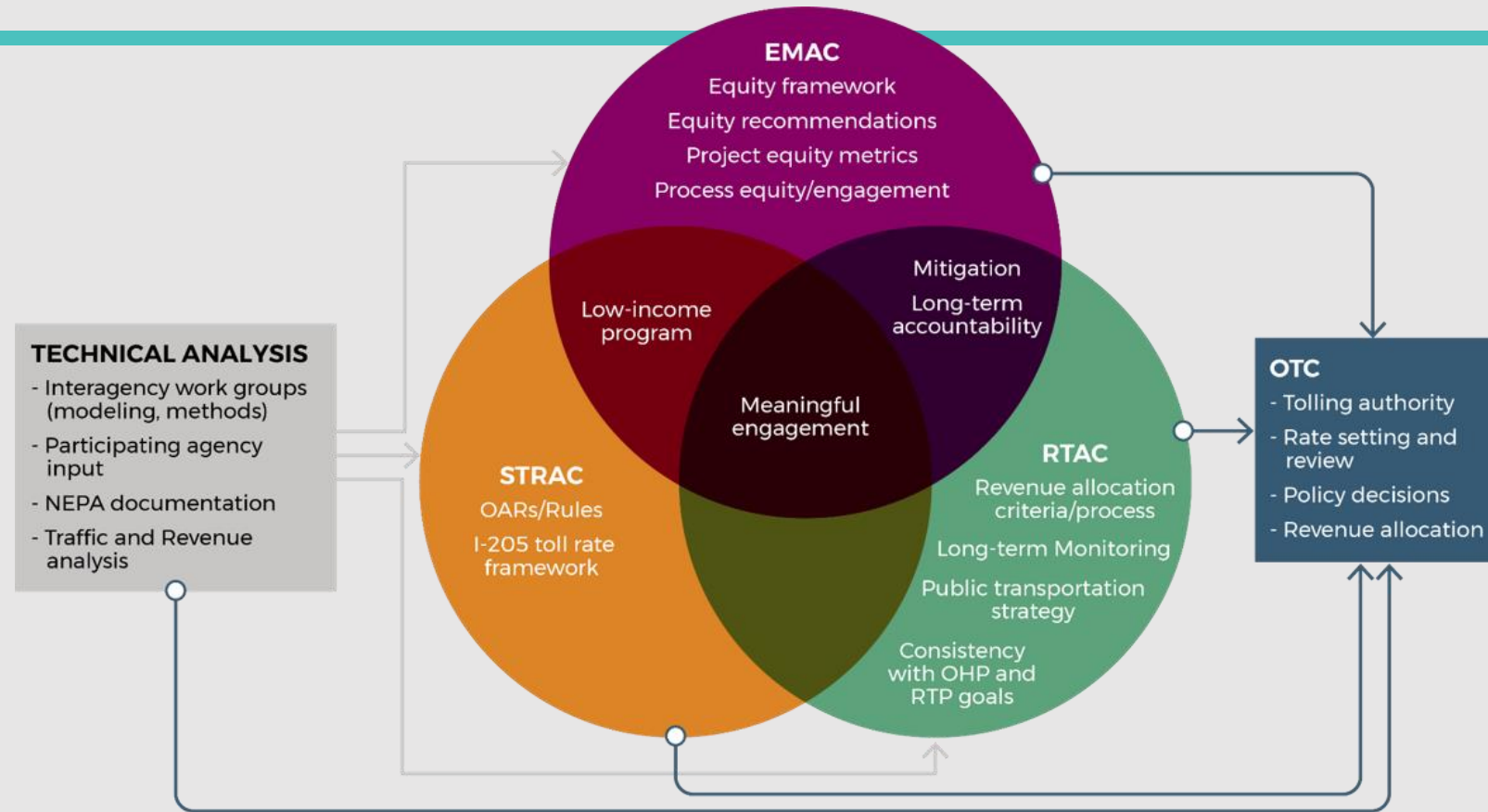


Oregon will be first in the nation to:

- Offer discount to low-income travelers the first day toll collection begins.
- Provide comprehensive exemptions to federally-recognized tribes with connection to land in Oregon.

Regional Engagement

- Equity and Mobility Advisory Committee (EMAC)
- Statewide Toll Rulemaking Advisory Committee (STRAC)
- Regional Toll Advisory Committee (RTAC)
- Oregon Transportation Commission (OTC)



The Legacy of HB 2017

- HB 2017 has strengthened, improved, and modernized Oregon's transportation system.
- HB 2017 started the trend and set the stage for future action.
- While most investments have been delivered, great need remains.
- HB 2017 increased State Highway Fund resources but won't keep pace with rising costs.
- With funding projected to flatten, structural challenges threaten immediate operations and Oregon's long-term future.



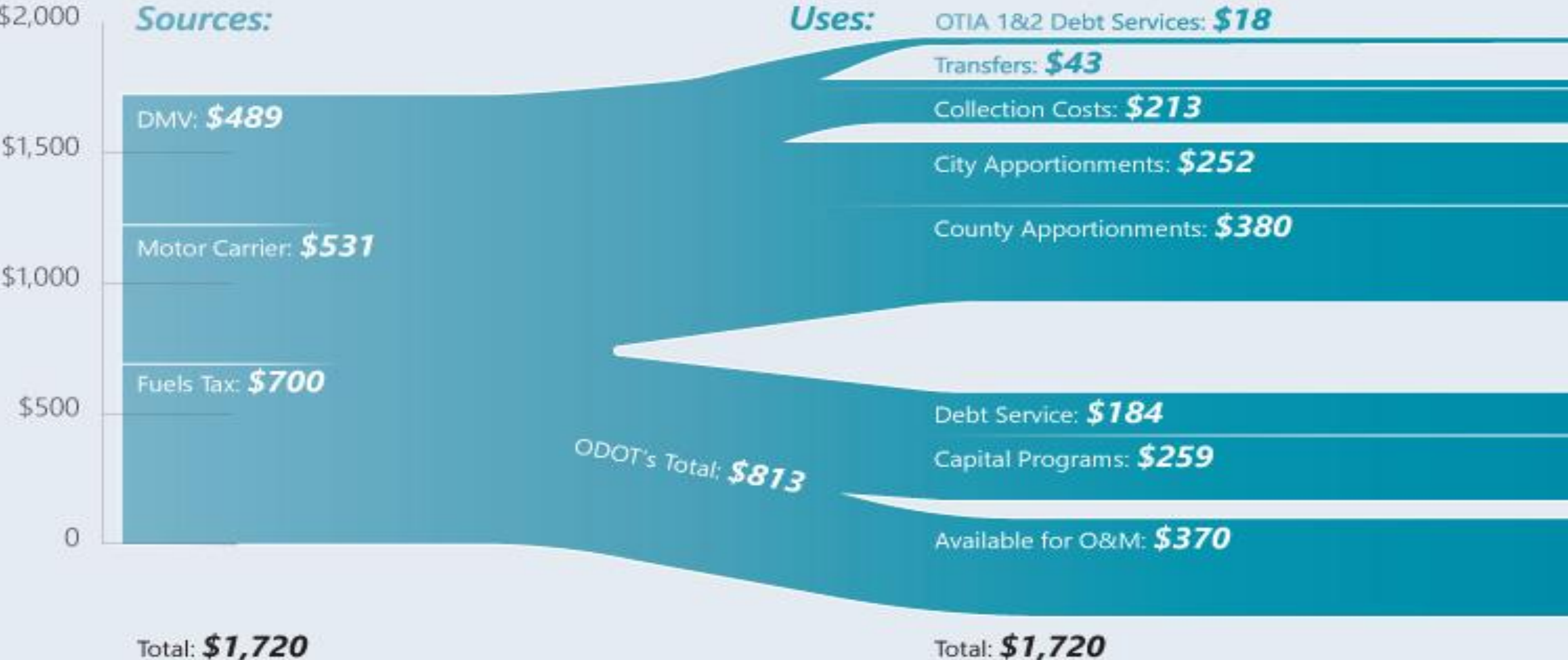
State Highway Fund Challenges

- Inflation erodes all State Highway Fund revenue streams.
- Growing fuel efficiency is making the fuels tax less reliable.
- State and federal law restrict how available funding can be spent.
- ODOT faces a significant structural shortfall for operations and maintenance now and into the future.



State Highway Fund Sources and Uses

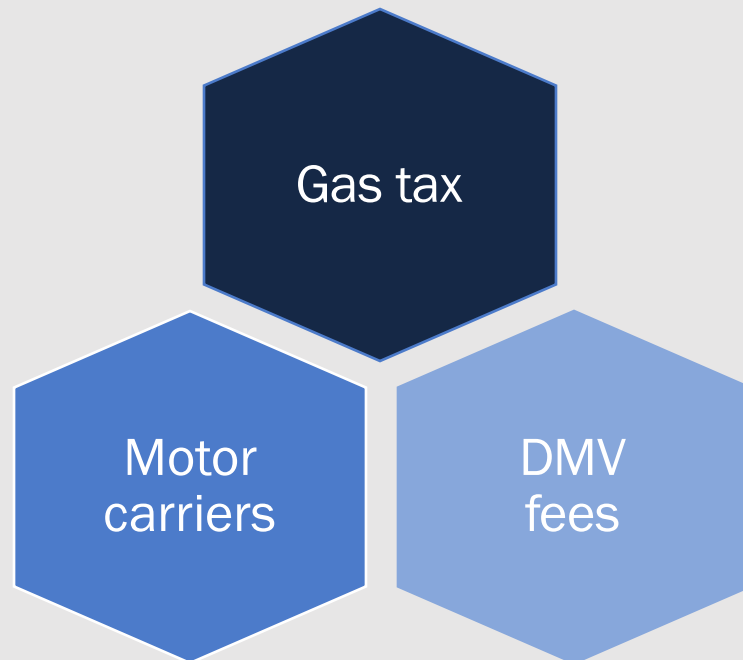
2023-2025 Annual Average in Millions



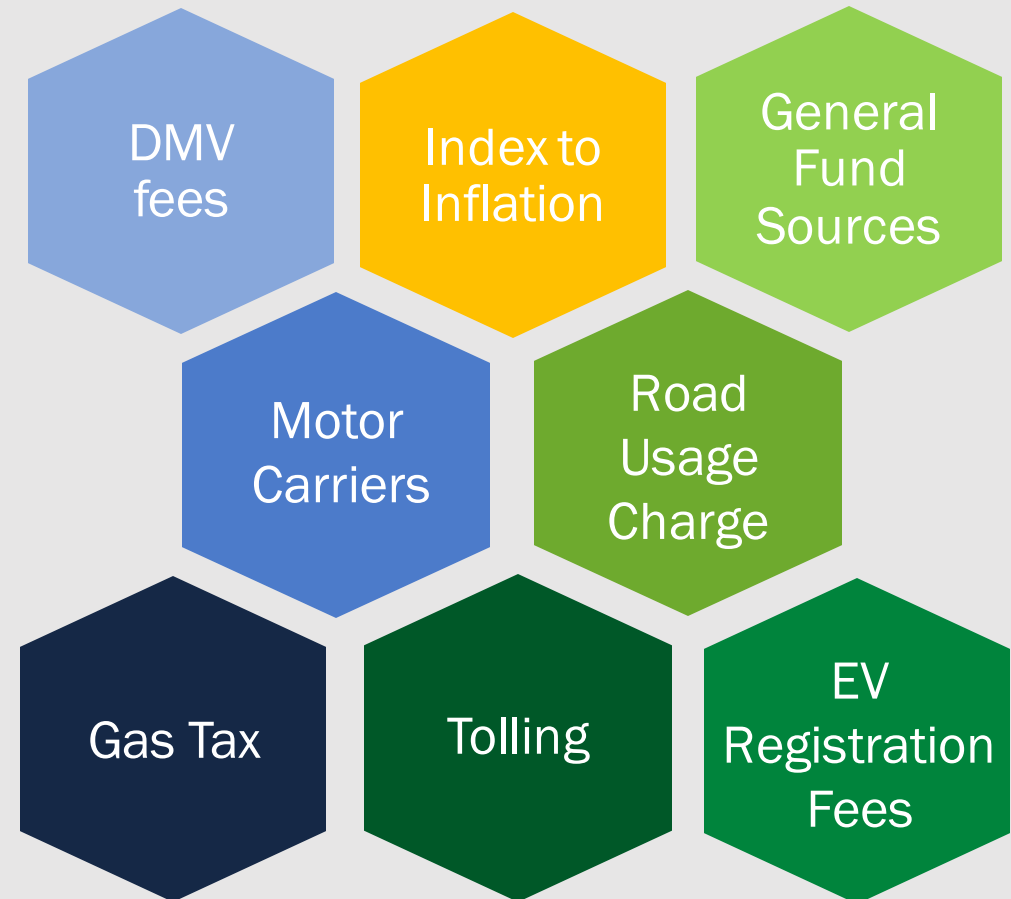
A More Diversified Revenue Portfolio

Sufficient and sustainable funding is key to maintaining and modernizing our transportation system

State Highway Fund Revenue Today



Some Options for the Future



Thank you
