

METRO
2019 LEGISLATIVE ISSUE IDENTIFICATION

Department: GAPD

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ISSUE: Transportation project funding

BACKGROUND: The 2017 Legislature passed House Bill 2017, an ambitious and multifaceted transportation funding and policy package that moved Oregon and the Portland region forward in many ways. Among other things, the package:

- Raised significant new revenue for road construction and maintenance
- Directed funding specifically to major projects in the Portland region to relieve congestion at specific highway bottlenecks
- Provided (for the first time) significant and ongoing state support for transit operations
- Created a new revenue source to permanently fund the Connect Oregon multimodal program
- Funded rebates for purchases of electric vehicles
- Provided new funding for Safe Routes to Schools
- Directed the Oregon Department of Transportation (ODOT) to develop a proposal for managing travel demand through congestion pricing on I-5 and I-205 from their junction in the southern part of the region to the Columbia River.

The Portland region will benefit greatly over time from the passage of HB 2017. However, certain key priorities the region agreed to pursue going into the 2017 session were not included in the final package. Among those priorities were funding for improvements on I-205 and funding to advance the Southwest Corridor light rail project. There are efforts under way to move both of these projects forward in the 2019 session.

Southwest Corridor: TriMet has requested, and the Governor's recommended budget includes, \$25 million in lottery backed bonds for the Southwest Corridor Light Rail Project. This allocation will provide the necessary funding to get the project through Final Design and to the Full Funding Grant Agreement stage with the Federal Transit Administration. TriMet is planning an additional request for the 2021 session, but the details of that request will depend on what is included in an anticipated 2020 regional ballot measure.

I-205: The region requested funding in 2017 to address three major highway bottlenecks: I-5 in the Rose Quarter, OR-217 in Washington County, and I-205 in Clackamas County. The Legislature funded the I-5 and OR-217 projects but not I-205. Instead, HB 2017 required ODOT to submit a Cost-to-Complete report that was delivered to the Joint Committee on Transportation in January 2018. The Legislature also attached a budget note to ODOT's 2017-

2019 biennial budget (HB 5045) that directed ODOT to ensure an ongoing commitment to fully fund congestion relief on I-205, including the segment between Stafford Road and Oregon 99E.

The Stafford Road-Oregon 99E project involves repair/replacement of the Abernethy Bridge and widening I-205 to three lanes in each direction. Total cost of the two elements of this project is estimated at up to \$500 million; ODOT estimates that each year of delay adds significantly to the cost. Certain legislators have suggested that the project can be funded through tolling, which is not realistic either financially or with respect to timing, since tolling will not be implemented for many years even under the best case scenario.

The Oregon Transportation Commission recently provided \$17,100,000 to the I-205 Stafford Road-Oregon 99E project, which, combined with previously identified funding of \$30,400,000, will allow the preliminary engineering, right of way and utility relocation work to be completed in preparation for the construction phase to begin once funding is identified. This action is in alignment with HB 2017.

West Linn is coordinating an effort, unanimously supported by the Clackamas County Coordinating Committee (C4), to secure base funding for implementation of the I-205 project elements either together or in phases. Draft legislation would provide \$250 million for construction/renovation/seismic improvements to the Abernethy Bridge and \$100 million to begin the construction process for improvements between the bridge and Stafford Road.

RECOMMENDATION: Support efforts to provide legislative support for the Southwest Corridor and I-205 projects.

LEGISLATIVE HISTORY: As noted above, neither of these projects was funded in HB 2017. In 2007, the Legislature authorized \$250 million in lottery bonds to support construction of the Portland-Milwaukie light rail project.

OTHER INTERESTED PARTIES: Regional agencies (TriMet, Port of Portland, Metro) and the cities and counties of the region have all supported funding these projects as part of a comprehensive regional transportation investment strategy and the region unanimously urged the Legislature to include these projects in the 2017 transportation package.

IMPACT IF PROPOSED ACTION OCCURS: On Southwest Corridor, this funding would enable Metro and TriMet to continue project development on the current timetable and set the stage for subsequent funding requests from the region's voters and from the federal government. On I-205, this funding would not only enable project development to continue, but also remove I-205 from the discussion of a regional transportation bond measure.