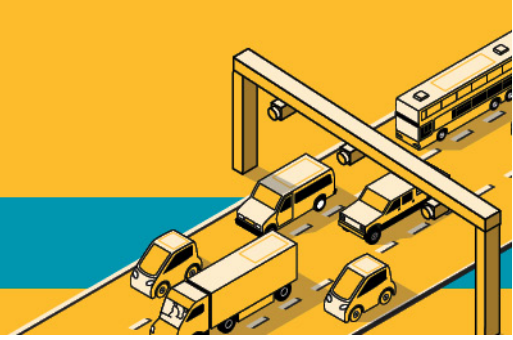
I-205 Toll Project

PURPOSE AND NEED STATEMENT



REVISED FINAL 8/18/2021

INTRODUCTION

In 2016, the Governor's Transportation Vision Panel held a series of regional forums across the state to better understand how the transportation system affects local economies. The negative effect of congestion in the Portland Metropolitan Region was consistently identified as one of three key themes across Oregon. Congestion in the region affects commuters and businesses, as well as producers who move their products across the state.

In response to the input from stakeholders across the state, House Bill (HB) 2017 Section 120 directed the Oregon Transportation Commission (OTC) to develop a congestion relief fund, and to seek approval from the Federal Highway Administration (FHWA) to implement tolling (also referred to as value pricing or congestion pricing) on the Interstate 5 (I-5) and Interstate 205 (I-205) corridors to reduce traffic congestion in the Portland metro area.

In 2018, the OTC and the Oregon Department of Transportation (ODOT) conducted the Portland Metro Area Value Pricing Feasibility Analysis to study how and where congestion pricing could be applied. Substantial public input and a Policy Advisory Committee informed the final recommendations. For I-205, the Policy Advisory Committee recommended implementing variable-rate tolls[1] on all lanes of I-205 on or near the Abernethy Bridge as a potential funding strategy and for congestion management. In December of 2018, the OTC submitted a proposal to the FHWA outlining the findings of the feasibility analysis and seeking approval to continue the process of implementing tolls on I-5 and I-205 (ODOT 2018a). In January 2019, FHWA provided guidance to move into the next phase of evaluation and study (FHWA 2019). In 2020, FHWA and ODOT determined that an environmental assessment (EA) would be the appropriate NEPA documentation for the I-205 Toll Project (Project).

ODOT identified the I-205 Improvements Stafford Road to OR 213 Project (I-205 Improvements Project) as a priority project for ODOT. The I-205 Improvements Project includes seismic bridge upgrades, adding a third lane north and south, and interchange improvements. The project received NEPA clearance in 2018 and will be constructed in phases. In 2021, HB 3055 provided financing tools that allow construction on the first phase of the I-205 Improvements Project to begin in 2022, which includes reconstruction of the Abernethy Bridge and adjacent interchanges. Tolls are needed to fund subsequent phases of the I-205 Improvements Project.

[1] Variable-rate tolls are user fees that vary in amount based on certain conditions (e.g. time of day, day of the week, direction of travel). Variable-rate tolls can occur on a fixed schedule that is known to travelers.

PURPOSE

The purpose of the I-205 Toll Project is to use variable-rate tolls on the I-205 Tualatin River and Abernethy Bridges to raise revenue to fund portions of the I-205 Improvements Project and manage congestion.

NEED FOR THE PROPOSED ACTION

Critical congestion relief projects need construction funding

Available funding for transportation has not kept pace with the cost of maintaining the transportation system or the cost of construction of new transportation and congestion relief projects. ODOT revenue comes from a mix of federal and state sources, including fuels taxes, taxes on heavy vehicles, and driver and vehicle licensing and registration fees. The federal gas tax has not been adjusted since October of 1993 and the share of federal contributions to state transportation projects has greatly decreased. On the state level, escalating expenditures to maintain aging infrastructure, the need to perform seismic upgrades for state's bridges, and rising construction costs have greatly increased financial needs.

Compounding this problem is a substantial increase in travel demand as the state experiences strong population growth, particularly in the Portland metro area. ODOT must explore every possible method for getting the most out of its existing infrastructure, funding projects to ease congestion, and planning for increased earthquake resiliency. The I-205 Improvements Project would provide congestion relief for the recurring bottleneck on I-205 between I-5 and the Abernethy Bridge. ODOT is in the process of obtaining permits and developing a financial plan to support construction of Phase 1A[2] (reconstruction of the Abernethy Bridge and adjacent interchanges at OR 43 and OR 99E), which is expected to begin in 2022. Other phases are currently unfunded;[3] toll revenue is needed to fund construction on future phases of the improvements.[4,5]

[2] A description of the I-205 Improvements Project construction phases is located https://i205corridor.org/.
[3] HB 3055 provides ODOT the ability to finance construction of Phase 1A of the I-205 Improvements Project using state backed borrowing or bonding. If approved, pending environmental review and development of a toll program, tolls could be used long term to pay back loans.
[4] Net toll revenue for capital projects represents the available cash flow from tolling after covering an allowance for revenue leakage, the costs of toll collection operations and maintenance (O&M), and the costs of roadway facility O&M. Net toll revenues may be used to pay for capital improvement directly and/or they may be used to pay the principal and interest on borrowed (financed) funds.
[5] The Oregon Constitution (Article IX, Section 3a) specifies that revenues collected from the use or operation of motor vehicles is spent on roadway projects, which could include construction or reconstruction of travel lanes, as well as bicycle and pedestrian facilities or transit improvements in or along the roadway.

Traffic congestion results in unreliable travel

A 3.3 percent population increase in the Portland metro area from 2015 to 2017 and strong economic growth during these years contributed to a 20.1 percent increase in vehicle hours of delay and 13.4 percent increase in hours of congestion on the highway and regional corridor system. On I-205, daily vehicle hours of delay increased by 25 percent in each direction from 2015 to 2017, indicating that the extent and duration of congestion in the corridor continues to increase and that travel continues to become less and less reliable (ODOT 2018b).

In 2018, more than 100,000 vehicles used the section of I-205 between Stafford Road and OR 213 each day (ODOT 2019). Northbound I-205 from I-5 to the Abernethy Bridge has been identified as one of the region's top recurring bottlenecks during the evening commute. In 2017 this section of I-205 experienced 3.5 hours of congestion in the evening, from 2:45 p.m. to 6:15 p.m. Southbound I-205 from OR 212 to the Abernethy Bridge experienced over 3 hours of congestion in the morning from 6:00 a.m. to 9:15 a.m. (ODOT 2018b). In total, the section of I-205 between Stafford Road and OR 213 experienced approximately 6.75 hours of congestion daily.[6]

The population of the Portland metro region is expected to grow from 2.5 million residents in 2018 to over 3 million in 2040 (23 percent) and over 3.5 million in 2060 (43 percent), further exacerbating existing congestion problems (Census Reporter 2018; Metro 2016b).

Traffic congestion impacts freight movement

Movement of people and goods is critical to support a growing economy. Freight tonnage in the Portland region is expected to double by 2040, with 75 percent of total freight tonnage moved by truck (Metro 2018). I-205 is a designated north-south interstate freight route in a roadway network that links Canada, Mexico and major ports along the Pacific Ocean. Trucks represent 6 to 9 percent of total traffic on I-205 (ODOT 2018b).

Congestion on I-205 affects the ability to deliver goods on time, which results in increased costs and uncertainty for businesses. The cost of congestion on I-205 increased by 24 percent between 2015 and 2017, increasing to nearly half a million dollars each day in 2017 (ODOT 2018b). Increasing congestion and demand for goods will result in more delay, costs, and uncertainty for all businesses that rely on I-205 for freight movement.

Traffic congestion contributes to climate change

Greenhouse gas emissions from cars and trucks have been rising since 2013 and represented 39 percent of total statewide emissions in 2016 (Oregon Global Warming Commission 2018). Idling vehicles sitting in congested conditions contribute to these emissions. In March 2020, the Governor signed an executive order to reduce greenhouse gas emissions 45 percent below 1990 levels by 2035 and 80 percent below 1990 levels by 2050.

[6] The coronavirus pandemic (COVID-19) has dramatically altered current traffic levels. Future traffic volumes on I-205 are unknown, but as the risks of COVID-19 are reduced, traffic congestion is expected to return.

GOALS AND OBJECTIVES

Project goals and objectives are desirable outcomes of the project beyond the purpose and need statement. The following goals and objectives reflect input collected during the Project's Summer-Fall 2020 engagement and from the Value Pricing Feasibility Analysis Policy Advisory Committee, partner agencies, the Equity and Mobility Advisory Committee, and other Project stakeholders. Through detailed performance measures, these goals and objectives will be considered when comparing potential tolling alternatives to each other and to the future No Build (no tolling) Alternative.

ODOT acknowledges past land use and transportation investments have resulted in negative cultural, health, economic and relational impacts to local communities and populations and that these investments have disproportionately affected historically and currently excluded and underserved communities.[7] Additionally ODOT recognizes these communities are often left out of transportation planning and decision-making process. These practices, along with more recent gentrification in Portland and surrounding cities have resulted in a mismatch between job locations and housing in areas with few transportation options.

The goals and objectives below, along with input from the Equity and Mobility Advisory Committee, will prioritize equity throughout the Project development process. The Project will engage communities who use or live near the segment of I-205 between Stafford Road and OR 213, especially those that have been historically and currently excluded and underserved, in participation throughout the project design, development, implementation, monitoring, and evaluation processes.

- Goal: Provide benefits for historically and currently excluded and underserved communities
  - Maximize benefits and minimize burdens associated with implementation of tolling
  - Support equitable and reliable access to job centers and other important community places, such as grocery stores, schools, and gathering places
  - Support equitable and reliable access to health promoting activities (e.g. parks, trails, recreation areas) and health care clinics and facilities
  - Design the toll system to support travel options for people experiencing low incomes
- Goal: Limit additional traffic diversion from tolls on I-205 to adjacent roads and neighborhoods
  - Design the toll system to limit rerouting from tolling
  - Design the toll system to minimize impacts to quality of life factors, such as health, noise, safety, job access, travel costs, and environmental quality for local communities from traffic rerouting

[7] As defined in the Oregon Toll Program's Equity Framework, these communities include: people experiencing low-income or economic disadvantage; Black, Indigenous and People of Color (BIPOC); older adults and children; persons who speak non-English languages, especially those with limited English proficiency; persons living with a disability; and other populations and communities historically excluded and underserved by transportation projects.

- Goal: Support safe travel regardless of mode of transportation
  - Enhance vehicle safety on I-205 by reducing congested conditions
  - Support safe multimodal travel options (e.g., pedestrians, bicycles, transit, and automobiles) on roadways affected by tolling
- Goal: Contribute to regional improvements in air quality and support the State's climate change efforts
  - Support reduced vehicle air pollutants and greenhouse gas emissions in the Portland metro area through reducing congestion, resulting in more consistent vehicle speeds, less vehicle idling, and fewer overall motor vehicle emission hours on I-205 and on local roadways affected by tolling
  - Reduce localized air pollutants through reduced congestion and improved travel efficiency, particularly in community areas where pollutants may be concentrated due to traffic congestion
- Goal: Support multimodal transportation choices
  - Support shifts to higher occupancy vehicles (including carpooling) and other modes of transportation (transit, walk, bike, telework)
  - Collaborate with transit providers to support availability and enhancements to transit and other transportation services in the I-205 corridor, especially for historically and currently excluded and underserved communities
- Goal: Support regional economic growth
  - Provide for reliable and efficient regional movement of goods and people through the I-205 corridor
  - Provide for reliable and efficient movement of goods and people on local roadways affected by tolling
  - Improve regional access to jobs and employment centers, especially for historically and currently excluded and underserved communities
- Goal: Support management of congestion and travel demand
  - Design the toll system to improve efficient use of roadway infrastructure and improve travel reliability
- Goal: Maximize integration with future toll systems
  - Design a toll system that can be expanded in scale, integrated with tolling on other regional roadways, or adapted to future toll system applications
- Goal: Maximize interoperability with other transportation systems
  - Design a toll system that is interoperable with other transportation systems in the region

REFERENCES

Census Reporter. 2018. Portland-Vancouver-Hillsboro, OR-WA Metro Area. https://censusreporter.org/profiles/31000US38900-portland-vancouver-hillsboro-or-wa-metro-area/. Accessed February 4, 2020.

Federal Highway Administration (FHWA). 2019. Letter to Oregon Transportation Commission and Oregon Department of Transportation from Phillip A. Ditzler, FHWA Division Administrator. January 8, 2019.

Metro. 2018. Regional Freight Strategy. https://www.oregonmetro.gov/sites/default/files/2019/09/20/Regional-Freight-Strategy-FINAL-091919.pdf. Accessed February 3, 2020.

Metro. 2016a. 2040 distributed population and household forecasts. https://www.oregonmetro.gov/sites/default/files/2017/03/08/2040-regional-population-housing-forecast-by-city-county.pdf. Accessed February 4, 2020.

Metro. 2016b. Population Forecast to 2060. https://www.oregonmetro.gov/2060-growth-forecast. Accessed February 4, 2020.

Oregon Department of Transportation (ODOT). 2019. 2018 Transportation Volume Tables. https://www.oregon.gov/ODOT/Data/Documents/TVT_complete_2018.pdf. Accessed February 3, 2020.

Oregon Department of Transportation (ODOT). 2018a. Oregon Application to FHWA: Value Pricing Feasibility Analysis and Proposed Implementation. https://www.oregon.gov/odot/tolling/ResourcesHistory/VP%20Final_FHWAApplication_Draft.pdf. Accessed June 17, 2020.

Oregon Department of Transportation (ODOT). 2018b. Portland Region 2018 Traffic Performance Report. https://www.oregon.gov/ODOT/Projects/Project%20Documents/2018TrafficPerformanceReport.pdf. Accessed February 3, 2020.

Oregon Department of Transportation (ODOT). 2013. State Highway Freight System. https://www.oregon.gov/ODOT/Data/Documents/Freight_System.pdf. Accessed February 3, 2020.

Oregon Department of Transportation (ODOT). 2012. Seismic Lifelines Evaluation, Vulnerability Synthesis, and Identification. https://www.oregon.gov/ODOT/Planning/Documents/Seismic-Lifelines-Evaluation-Vulnerability-Synthese-Identification.pdf. Accessed February 3, 2020.

Oregon Global Warming Commission. 2018. 2018 Biennial Report to the Legislature for the 2019 Legislative Session. https://www.keeporegoncool.org/reports/. Accessed May 14, 2020.

Oregon State Legislature. 2017. House Bill 2017. https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/HB2017/Enrolled. Accessed June 16, 2020.

Si desea obtener información sobre este proyecto traducida al español, sírvase llamar al 503-731-4128.

Nếu quý vị muốn thông tin về dự án này được dịch sang tiếng Việt, xin gọi 503-731-4128.

Если вы хотите чтобы информация об этом проекте была переведена на русский язык, пожалуйста, звоните по телефону 503-731-4128.

如果您想瞭解這個項目，我們有提供繁體中文翻譯，請致電：503-731-4128。

如果您想了解这个项目，我们有提供简体中文翻译，请致电：503-731-4128。

For Americans with Disabilities Act or Civil Rights Title VI accommodations, translation/interpretation services, or more information call 503-731-4128, TTY (800) 735-2900 or Oregon Relay Service 7-1-1.