

Urban Mobility Strategy Finance Plan Update

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Tolling Winddown Plan

- **RMPP:** Closing down work immediately; will get initial traffic and revenue estimates to inform future conversations.
- **I-205 Toll Project:** Finishing up key work products, including Level 2 T&R, express lanes analysis, and transportation report.
- **IBR:** Transferring IBR to WSDOT; ODOT will collaborate and will need to integrate ODOT systems with WSDOT.
- **Statewide systems:** Not entering into a contract for back office or releasing RFP for roadside systems.
- **Policy & Rules:** Stopping work on rules/policies related to toll collection; rules about toll facility designation and rate-setting process will move forward in summer for IBR tolling; low income program and tribal exemption discussions will shift to IBR.



Net Impact of Canceling Tolling on Costs and Revenue

Tolling Budget	Amount
Funding Allocated June 2023	\$263
Expected Expenditures	\$73
Reduction in Expenditures	\$190
Net Impact of Canceling Tolling	
Reduction in Expenditures	\$190
Expected I-205 Toll Revenue	\$(385)
Net Impact	\$(195)

Key Questions for OTC for UMS Finance Plan Update

- Should ODOT repay some of the HB 2017 funding transferred from the Rose Quarter to I-205, or focus on closing the funding gap for the I-205 Abernethy Bridge project?
- Should the funds necessary to close the gap come from making cuts to the 2024-2027 STIP, spread out the cuts over the next 12-25 years by covering the gap through bonding, or some combination of these two options?
- If bonding is chosen, what bonding strategy should we use, including funding source and maturity of bonds?
- What types of projects should be cut to provide the necessary funds?



I-5 Rose Quarter INFRA Grant Opportunity

- Rose Quarter is automatically “highly recommended” under the INFRA program.
- Dedicating \$250m in HB 2017 funds could allow ODOT to leverage up to \$750m in federal INFRA grant funds.
- Federal/state investment would close significant portion of project’s funding gap and allow ODOT to:
 - complete the highway cover - construct the remaining two-thirds (north and south portions) of the project’s highway cover
 - construct I-5 safety and operational improvements
 - construct separated bicycle/pedestrian bridge



UMS Available Resources

Revenue Sources	June 2023	2024 Update
HB 2017 Cash and Bonds	\$560	\$560
I-205 Tolls	\$385	\$0
Other Federal/State/Local	\$157	\$157
Federal Competitive Grants	\$0	\$450
Total Resources	\$1102	\$1167

UMS Finance Plan Update: Project Allocation Options

Project	UMS Finance Plan June 2023	Option 1: Repay Rose Quarter	Option 2: Close Abernethy Gap
I-205 Abernethy	\$662	\$750	\$750
I-205 Phase 2	\$0	\$0	\$0
I-205 Tolling	\$84	\$20	\$20
I-5 Rose Quarter	\$158	\$858	\$608
I-5 Boone	\$4	\$4	\$4
Regional Mobility Pricing Project	\$64	\$40	\$40
Toll Systems Implementation	\$115	\$13	\$13
Short Term Financing Costs	*	\$36	\$36
Total Funds Needed	\$1,087	\$1,721	\$1,471
Total Resources	\$1,102	\$1,167	\$1,167
Available Resources	\$15	\$(554)	\$(304)

*Not included in original iteration.

Scenarios for Closing I-205 Abernethy Gap

Scenario 1: Cut the STIP

- Requires \$300 or \$550 million in cuts to 2024-2027 STIP
- Cuts could come from state or federally funded programs including HB 2017 Bridge/Seismic, federally-funded Fix-It and Public and Active Transportation

Scenario 2: Finance the Gap

- Uses long-term borrowing to spread \$300 or 550 million in costs over a longer time period
 - 2A: Highway User Tax Revenue bonds (25 year), repaid by HB 2017 Bridge/Seismic
 - 2B: GARVEE bonds (max 18 years), repaid by FHWA formula funds

Debt Service Options

Bond Type	Maturity	Funding Source	Option 1: \$550m in Debt	Option 2: \$300m in Debt
Highway User Tax Revenue Bonds	25 years	State Highway Fund	\$37-43m	\$25-31m
GARVEE Bonds	15 years	FHWA Formula Funds	\$50-57m	\$30-41m

Some Pros and Cons of Each Scenario

	Scenario 1: Cut the STIP	Scenario 2: Finance the Gap
Pros	<ul style="list-style-type: none"> Limits impact to future STIPs 	<ul style="list-style-type: none"> Spreads the impacts over 12-25 years
Cons	<ul style="list-style-type: none"> Requires significant impact to 2024-2027 STIP Project cuts leaves ODOT project delivery workforce without planned work 	<ul style="list-style-type: none"> Requires legislative approval for additional debt Adds to ODOT's long-term debt, with potential financial implications

Timeline for Decisions

May

- Present UMS Finance Plan options for discussion and feedback on key questions.
- Request approval of I-205 Abernethy STIP amendment.

June

- ODOT requests OTC approval of UMS Finance Plan.

August

- ODOT presents UMS STIP amendments as part of annual STIP update.



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