



# Oregon

Tina Kotek, Governor

## Oregon Transportation Commission


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**DATE:** July 18, 2024

**TO:** Oregon Transportation Commission



**FROM:** Kristopher W. Strickler  
Director

**SUBJECT:** **Agenda Item O** – I-5 Rose Quarter Improvement Project Funding Scenarios

### **Requested Action:**

Receive an update from the Urban Mobility Office on the potential funding and delivery package options for the I-5 Rose Quarter Improvement Project.

### **Background:**

In June 2024 the Oregon Transportation Commission (OTC) approved the conceptual finance plan for the Urban Mobility Strategy (UMS) and also supported ODOT's next step to bring forward scenarios for the funding needed for the I-5 Rose Quarter Improvement Project.

The I-5 Rose Quarter received a \$450 million Reconnecting Communities and Neighborhoods (RCN) grant from the U.S. Department of Transportation, allowing the project to complete design of and construct a portion (but not all) of the highway cover, which would be forward compatible with the construction of the remainder of the highway cover and I-5 mainline improvements. ODOT also has the opportunity to leverage the RCN funding for additional federal investment and has applied for a \$750 million INFRA grant request (coupled with the up to \$250 million state match) to construct the remainder of the highway cover, I-5 safety and operational improvements, the relocated I-5 southbound off-ramp, and the separated bicycle and pedestrian bridge. The secured RCN grant and pending INFRA grant prioritize completion of the highway cover, with all RCN funding to design and complete the first portion of the cover and the pending INFRA grant request prioritizing completing the cover, then followed by I-5 safety and operation improvements and additional multimodal improvements.

The total project cost estimate is \$1.5 billion to \$1.9 billion. This estimate is based on preliminary design information, with the main construction package (highway cover and central mainline improvements) at a pre-30% design level. This project cost estimate also is based on the project's original work packages – there were three early work packages and the main construction package. The three early work packages were focused on the bookends of the project with I-5 mainline improvements at the interchanges of I-84 and I-405, while the main construction package was focused on the central portion of the project area, inclusive of the highway cover, I-5 mainline improvements in the highway cover area, the relocation of the I-5 southbound off-ramp and the pedestrian and bicycle bridge.

Given the recent federal investment under the Reconnecting Communities and Neighborhoods program, the sequencing of work packaging for the project is being modified. The scenarios to be presented

demonstrate support of finalizing design and beginning construction of the initial, core part of the highway cover with the secured grant funding, the priority of the pending INFRA grant request to complete the highway cover construction, and to support advanced construction opportunities in 2025.

As stated in the June 2024 Urban Mobility Strategy Finance Plan Update, the project faces a funding gap that ranges between \$0 (should the project come in at the low end of the cost range and receive the full INFRA grant request) and \$1.3 billion (should the project come in at the high end of the cost range and not receive any portion of the INFRA grant request). Given this wide range in the funding gap, ODOT has prepared three scenarios that articulate potential pathways to deliver the I-5 Rose Quarter Improvement Project. The scenarios to be presented are provided for informational purposes to support the ongoing refinement of the Urban Mobility Strategy Finance Plan. The scenarios also represent independent packages of work with independent utility that are forward-compatible with additional improvements constructed at a later date. The scenarios include:

### **Scenario 1: Reconnecting Communities and Neighborhoods Grant Award Only**

Scenario 1 assumes the only funding provided is from the confirmed RCN grant (\$450 million), plus the current State's investment. Scenario 1 does not include any funding from the INFRA grant request nor any additional State investment.

The scope of Scenario 1 includes:

- Final design and right of way for the initial, central portion of the highway cover construction
- Construct initial, central portion of the highway cover (South edge of Broadway to South of Weidler), being forward compatible with future full buildout of the highway cover
- Builds Fire Life Safety elements for the section of highway cover being built, being forward compatible with future full buildout of the Fire Life Safety system
- Construct several local street improvements including Weidler and Williams
- Construct a section of Interstate 5 (I-5) improvements including lowering the profile to accommodate the highway cover and building the highway cover support structures to be forward compatible with future auxiliary lanes and shoulders

Scenario 1 assumes a total cost of \$610 million, including the \$160 million from the Urban Mobility Strategy Finance Plan and \$450 million from the Reconnecting Communities and Neighborhoods grant award, with an anticipated construction start in 2027.

### **Scenario 2: Reconnecting Communities and Neighborhoods Grant Award Plus Additional Investments to Prioritize Highway Cover Extension and Early Construction**

Scenario 2 assumes funding is provided by the confirmed Reconnecting Communities and Neighborhoods Grant Award (\$450 million) along with additional investment.

An additional investment of \$460 million would be needed to complete full design and construction of the highway cover. The highway cover is currently at a 30% design level.

An additional investment of about an additional \$105 million would be needed to begin construction packages in 2025. The 2025 construction packages under consideration are currently at a 90% design

level and include I-5 safety and operational improvements in the I-84 interchange area and stormwater improvements in the I-405 interchange area. These potential packages also have minimal right of way needs and can be built primarily within land already owned by ODOT. The scope of this additional investment includes:

- Construct I-5 Southbound bridges at I-84, including widening and improvements to provide for the I-5 southbound auxiliary lane from I-84 to the Morrison Bridge off ramp (additional investment need: \$40 million)
- Construct bridge preservation elements to I-5 mainline structures near I-84 interchange (includes seismic retrofits and repair) (additional investment need: \$60 million)
- Construct stormwater facilities at I-5 and I-405 interchange (additional investment need: \$5 million)

### **Scenario 3: Reconnecting Communities and Neighborhoods Grant Award + Full INFRA Grant Award + Matching Funds**

Scenario 3 assumes funding is provided by the confirmed RCN grant (\$450 million) and assumes that ODOT is successful in receiving the full funding requested in the INFRA grant application (\$750 million in grant funding, \$250 million in new State matching funds), on top of the \$160 million from the Urban Mobility Strategy Finance Plan. The INFRA grant request prioritizes the funding request to first complete the highway cover construction, followed by the I-5 safety and operational and other multimodal improvements. Scenario 3 assumes a total cost of \$1.6 billion, and would leverage significant federal funding from both the RCN and INFRA programs to build a large portion of the project, focused in the central project area.

The scope of Scenario 3 includes:

- Final design and right of way for the initial, central portion of the highway cover construction
- Construct the entire highway cover
- Build complete Fire Life Safety system needed for the full highway cover
- Construct all local street improvements on and around the highway cover
- Construct Interstate 5 (I-5) safety and operational improvements in the highway cover area, including lowering the profile of I-5 and paving for the central auxiliary lane and widened shoulder segment
- Relocate the southbound I-5 exit ramp and construct the southbound exit-ramp flyover
- Install Intelligent Transportation System (ITS) signage
- Construct a separated bicycle and pedestrian bridge to the south of the highway cover
- Construct bridge preservation elements to all I-5 mainline structures outside of the highway cover in the project area (includes seismic retrofits and repair)
- Construct stormwater facilities at I-5 and I-405 interchange as an early work package

Construction is anticipated to start in 2027, with an early opportunity for bridge preservation work and stormwater improvements to begin in 2025.