Testimony of Tom Hughes, Metro Council President In Support of House Bill 2800 February 18, 2013



Co-chairs Read, Bentz, Beyer, Starr and Members of the Committee:

The passage of a funding package for the I-5 replacement bridge over the Columbia River is the Portland metropolitan region's top transportation priority this session, with strong endorsements from both the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT).

There are many reasons to support this project. I want to focus on one of these reasons.

A key element of our region's livability is a strong economy. Over the last several years we have all learned a lot about the way traded sector businesses support the economy of the Portland area and the state of Oregon. Intel's Jill Eiland and I co-chair the Metropolitan Export Initiative, working with the Brookings Institute to identify ways to boost the Portland region's traded sector export economy.

Growth in export value in the Portland region is among the highest in the nation. But our region and our state are highly transportation dependent. Interstate 5 is the backbone of the region's freight system, providing access to the marine terminals in Rivergate, the railroad terminals under the Fremont Bridge, the air cargo terminals at PDX and the truck terminals at Swan Island and along the Columbia Corridor. These terminals handle products that come from every corner of Oregon and send them on their way around the nation and the world.

Congestion in the I-5 corridor threatens the movement of freight through these terminals to world markets. Moving commerce can tolerate an hour or so of rush hour congestion but cannot tolerate hours of congestion throughout the day.

As we have worked over the years to manage and accommodate growth in the greater Portland region, it has become increasingly clear that one of the most critical factors is strategic investment in infrastructure – our roads and bridges, water and sewer systems, schools and parks. I can think of no greater example of **an infrastructure investment that will generate certain economic returns**, which in turn will support a better quality of life in the region and around the state.

HB 2800 is a very good bill, and the -14 amendment makes it an even better bill. Let me call out just a few key elements:

• It describes a comprehensive multimodal project that includes highway, transit, and pedestrian improvements as key elements.

- It calls for using **tolling to manage transportation demand**, which is critical if we are to maintain the overall multimodal capacity of the bridge over the long term.
- It directs the OTC to make recommendations regarding the creation of **a fund to address public health impacts** in the I-5 corridor in the vicinity of the project. Much of the economy of Oregon moves through this corridor and it is important that this project benefit not only the state as a whole, but the communities most affected by the presence of the freeway and the bridge.
- Finally, it directs the OTC to study ways of addressing **potential diversion of traffic to I-205**, which is a concern to many on the east side of our region.

The I-5 replacement bridge project is a great deal for Oregonians. By making a \$450 million equity investment, we will get a \$3.4 billion investment, attracting over \$1 billion in federal funds and generating \$1 billion from the users that benefit most from the project through tolling.

The planning and approval process for this project is behind us. The Metro Council and many others have done their part. **Now it's time to build the bridge.**

Please adopt the -14 amendments to HB 2800 and send the bill to the floor.

Contact: Randy Tucker, Legislative Affairs Manager, (503) 481-9455

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING)	RESOLUTION NO. 13-4402
REGIONAL POLICY AND FUNDING)	
PRIORITIES FOR 2013 STATE)	Introduced by Councilor Carlotta Collette
TRANSPORTATION LEGISLATION)	

WHEREAS, the governments of the Portland metropolitan region recognize the importance of investing strategically in public infrastructure, particularly transportation infrastructure, as a way to support private investment and economic recovery in these difficult economic times; and

WHEREAS, transportation investments that contribute to economic recovery also bring increased revenues to local and state governments, thereby helping to ease the crisis in public budgets; and

WHEREAS, our region has a track record of creatively financing forward-looking transportation investments that address the needs of both the present and the future, and of combining smart investment with policy innovations that support good jobs, livable communities and a sustainable environment; and

WHEREAS, the Columbia River Crossing represents the most important transportation investment in the Portland metropolitan region in a generation, providing benefits to the economy, the environment and the safety of the traveling public; and

WHEREAS, the Columbia River Crossing is poised to receive federal support once the states of Oregon and Washington have secured their share of the overall funding package for the project; and

WHEREAS, the Governor's Vision Committee, which in 2008 developed the framework that led to the passage of the landmark 2009 Jobs and Transportation Act, included in that framework a recommendation that the state identify a source of dedicated funding to support multimodal transportation investments that cannot be paid for with highway fund dollars; and

WHEREAS, subsequent efforts have advanced that recommendation by attempting to quantify the funding gaps for various non-roadway transportation modes and proposing potential institutional structures and funding sources to close those gaps; and

WHEREAS, a combination of careful planning and strategic investments supported by local, regional, state and federal resources has helped to make this region the economic engine of the state and an example to the nation; and

WHEREAS, in the face of today's challenges, we need to extend this tradition of leadership by pursuing supportive policy and funding proposals in the 2013 legislative session; now, therefore,

BE IT RESOLVED:

- 1. That the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) adopt the following principles to guide the region's approach to transportation issues in the 2013 legislative session:
 - <u>Jobs and Economic Recovery</u>: The local governments of the Portland metropolitan are committed to partnering with others to support economic recovery through the creation and efficient operation of a robust transportation system.
 - <u>Support Multimodal Investment</u>: Oregon should build upon its lottery-backed program of investment in multimodal capital projects that support freight mobility and transit by identifying new, ongoing state funding that supports those projects as well as transit operations and pedestrian and bicycle facilities.

- Preserve and Expand Local Options: The transportation challenge will require innovative policy and new funding commitments at all levels of government, including additional local funding to repair and maintain existing transportation facilities. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority; avoid enacting new limitations or pre-emptions; and explore new structures and authorities that give local governments the flexibility to build, operate and fund transportation systems that support prosperity, livability and sustainability.
- 2. That the Metro Council and JPACT endorse transportation funding and policy priorities for the 2013 legislative session as reflected in Exhibit A to this resolution.

ADOPTED by the Metro Council this	day of January, 2013.	
	Tom Hughes, Council President	
Approved as to Form:		
Alison Kean Campbell, Metro Attorney		

2013 Regional Transportation Agenda: Specific Recommendations

<u>Columbia River Crossing</u> – The Columbia River Crossing represents the most important transportation investment in the Portland metropolitan region in a generation, providing benefits to the economy, the environment and the safety of the traveling public. JPACT and the Metro Council urge the Legislature to commit the state's share of the project finance plan as follows:

- > The funding approach must recognize the statewide importance of this project and not come at the expense of other projects in the region.
- > The funding approach must reflect a commitment to build the full project, including road, bike, pedestrian and transit elements.
- > Improvements intended to mitigate the impact of the project on local communities in the project area should not be deferred until an undefined and unfunded later phase of construction.
- > Follow through on the creation of a Community Enhancement Fund.
- > The funding package must not extend the current pre-emptions against local gas taxes or registration fees.

<u>ConnectOregon V</u> – Support a fifth round of <u>ConnectOregon</u> funding.

<u>Non-roadway funding</u> – Support the creation of a permanent funding stream for non-highway transportation.

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