

RE: 1000 Friends of Oregon Concerns on HB 2098 -2 Amendment - IBRP Funding Plan Date: April 27, 2023

Dear Co-Chairs Representative McLain and Senator Frederick, and members of the Committee,

Today 1000 Friends of Oregon writes to you on HB 2098, and the -2 amendment that is being heard in the Joint Committee on Transportation on April 27th, 2023. **1000 Friends of Oregon supports** replacing the I5 bridge with a siesmically safe bridge that expands transportation options, including transit and active transportation across this corridor, but we do not support core elements in the -2 Amendment.

1000 Friends is a 501(c)(3) mission-based organization working with Oregonians to advocate for people, nature, and iconic places in land use decisions. For nearly 50 years, 1000 Friends has researched and advocated for walkable, rollable, and transit-friendly communities to raise the quality of life for all Oregonians, bring shared prosperity, and protect our farms, forests, and natural areas.

1000 Friends of Oregon has been engaged with the effort to replace the Interstate Bridge since the Columbia River Crossing, an advocacy legacy that continues with the Interstate Bridge Replacement Program (IBRP). The land use planning system appropriately requires that proposed significant transportation investments answer hard questions, from the Westside Bypass to the Mt. Hood Express Freeway. These are powerful examples of how harnessing community concerns, scaling projects to meet needs, thinking creatively, and reprioritiizing projects can lead to better long term outcomes for communities, the economy, and the environment.

## We remain concerned about the following elements of the -2:

- **Project Bundling and a lack of Legislative Oversight:** This project bundles together a bridge replacement with a freeway expansion, which is both expensive and will induce more driving in the long run, which causes congestion to return, and increases negative impacts on local communities. In addition to this, both ODOT and WDOT have a history of major highway projects going as much as 2-3 times over the initial cost estimate. Legislators should be clear-eyed to this reality. Furthermore, the current design choice of a high arch span greatly limits the ability of the project to be phased to deliver elements as funding comes online.
  - Solution: Phase project funding like Washington: Washington state has pledged a
     billion dollars towards the project sufficient to receive federal grants, but they are only

<sup>&</sup>lt;sup>1</sup> https://t4america.org/maps-tools/congestion-con/

- appropriating and committing as much funding as needed in each biennium.<sup>2</sup> They also have strict conditions for approval of their tolling program<sup>3</sup>. If adopted by the Oregon legislature, the combined phasing and conditions give you as legislators the ability to act with fiduciary responsibility as the project is implemented.
- o Solution: Require one cost effective option to be considered. There is currently one proposed design for the bridge. There is no established plan if the current design goes over the \$6.3 billion cap (although it is our understanding amendments other than the -2 helps better enforce this cap). If it does, it is reasonable to assume that the IBRP will look to increase each state's contribution and/or increase toll levels. Bringing along an alternative under a \$5b cap that integrates cost saving measures, like using existing interchange infrastructure, allows you as legislators to be smart investors, and to have multiple cards to play depending on the state's economic future, how cost estimates continue to shape up, and how much federal funding we receive. Requesting this now is the only way you know you will have options down the road.
- Solution: Remove references to the Rose Quarter Project from this funding bill. It's not clear why this language is in the bill, and it conflates two separate projects.
- Concerns on Bonding and Borrowing: It is no secret that ODOT revenues have been declining for some time while expenditures have been rising. We as community groups want to work to find progressive new funding sources for ODOT as the gas tax declines, but we do not support the current funding proposal. To quote former OTC Commissioner John Russel on his testimony on HB 2098, "I served on the Oregon Transportation Commission for eight rewarding years, so I think I know how ODOT works. My advice is to be cautious about anything that approaches a blank check. Raiding the general fund, using the unique Federal flexible funds that we used to so jealously guard (because they are the only non-gas tax funds that are free of the constitutional highway limitation), permitting borrowing authority, relying on expense caps that can't be enforced . . . . Without care we may be in quicksand. "Overall, the -2 amendment has several provisions of concerns, pure reliance on general fund bonding, and the removal of safeguards that will help the project stay on financial track.
  - Solution: Limit your general fund expenditures to only what you need for federal transit grants (about \$250M-\$275M), and utilize Highway User Tax Revenue Bonds to pay for the rest. This is in alignment with the user pays model we have developed for Oregon's highways. Crossing over to pay for transportation projects from the general fund is a new and unprecedented move, and expands the exposure and risk for this project.

<sup>&</sup>lt;sup>2</sup> Washington has only allocated \$275M this biennium, in the budget approved in the past week. See Page 38, Line 15.

https://ofm.wa.gov/sites/default/files/public/budget/statebudget/2023-25biennial/2023-25BiennialTranspoZ-0218.2.pdf

<sup>&</sup>lt;sup>3</sup> https://www.columbian.com/news/2023/apr/19/i-5-bridge-tolling-bill-approved-by-washington-house/

<sup>&</sup>lt;sup>4</sup> https://olis.oregonlegislature.gov/liz/2023R1/Downloads/PublicTestimonyDocument/94147

Solution: Retain financial safeguards: Section 18 of the -2 removes all language that came about as safeguards related to the Columbia River Crossing project. Do not remove these sections, as they empower the Oregon State Treasurer's Office, the Coast Guard, and other project partners to have an effective role in this project. If this language needs updating, the JCT should be working to collectively update it, not wholesale remove it.

We believe these solutions are reasonable, and will help the project be more nimble as it pursues federal funding opportunities. We stand ready to support this project through the federal process, but not when foundational and core concerns are being disregarded.

Overall, it is our understanding that It is our understanding that one or more amendments might be forthcoming that address some of these concerns, and others. We welcome the opportunity to also hear these amendments, and continue a dialogue towards delivering on this bridge. The Just Crossing Alliance wants to be a partner in delivering this project efficiently and securing federal funds.

Thank you for your time and consideration,

Brett Morgan
Transportation and Metro Policy Manager