I-205 Toll Project

PURPOSE AND NEED STATEMENT

Draft 7/15/2020

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 metro area was consistently identified as one of three key themes across Oregon. Congestion in the Portland metropolitan 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 seek approval from the Federal Highway Administration (FHWA) to develop a congestion relief fund and 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 tolls 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 Federal Highway Administration 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).

PURPOSE

The purpose of the I-205 Toll Project is to manage congestion on I-205 between Stafford Road and Oregon Route 213 (OR 213) and raise revenue to fund congestion relief projects through the application of variable-rate tolls.[1]

NEED FOR THE PROPOSED ACTION

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 resulted in a 20.1 percent increase in vehicle hours of delay

[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.

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and 13.4 percent increase in hours of congestion on the highway and regional corridor system. Daily vehicle hours of delay for I-205 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.[2]

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 congestion 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.

Critical congestion relief projects need construction funding

Available funding for transportation has not kept pace with the cost of maintaining our transportation system or the cost of construction of new transportation and congestion relief

[2] 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.

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 congestion relief projects to ease congestion, and planning for increased earthquake resiliency. ODOT has identified the I-205 Improvements Stafford Road to OR 213 Project as part of the strategy to improve mobility on I-205 and seismically upgrade the Abernethy Bridge. The project is included in the 2018 Region Transportation Plan and is expected to benefit the Portland metro region and the state. The I-205 Improvements Project and the I-205 Toll Project have independent utility, as either one could be implemented independent of the other project; both have logical termini; and neither restrict consideration of alternatives for future transportation improvements. The I-205 Improvements Project has already received NEPA clearance and is in the process of obtaining permits; however, there is currently no funding source identified for construction of this project. Tolls collected on I-205 are anticipated to be used to fund congestion relief projects in the corridor, including, but not limited to, the I-205 Improvements Project.[3, 4]

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 from the Value Pricing Feasibility Analysis Policy Advisory Committee, partner agencies, the Project equity team, and other Project stakeholders; these goals and objectives will be considered when comparing alternatives.

- Goal: Provide equitable benefits for all users
  - Acknowledge and consider populations who use or live near the segment of I-205 between Stafford Road and OR 213 and have been historically underserved and underrepresented or negatively impacted by transportation projects
  - Engage people from historically underserved communities to participate throughout the project design, development, implementation, monitoring, and evaluation processes

[3] 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.

[4] HB 2017 established a Congestion Relief Fund which would receive any net proceeds from tolling. 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.

  - Maximize benefits and minimize burdens to historically underserved and underrepresented communities
  - Provide 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 facilities

- Goal: Limit additional traffic diversion from I-205 to adjacent roads and neighborhoods
  - Design toll system to limit rerouting from tolling
  - Design toll system to minimize additional noise impacts from traffic rerouting

- Goal: Support safe travel regardless of mode of transportation
  - Enhance vehicle safety on I-205 by reducing congested conditions
  - Ensure multi-modal travel (e.g. pedestrians, bicycles, and transit) does not become less safe on local roadways affected by tolling on I-205

- Goal: Improve air quality and reduce contributions to climate change effects
  - Reduce vehicle air pollutants and greenhouse gas emissions through improved travel efficiency
  - Reduce localized air pollutants through reduced congestion and improved travel efficiency, particularly in community areas where pollutants are concentrated

- Goal: Support multi-modal transportation choices
  - Support shifts to higher occupancy vehicles (including carpooling) and other modes of transportation (transit, walk, bike, telework)
  - Collaborate with transit providers to enhance availability and access to transit service in underserved and underrepresented areas along the tolled segment of the I-205 corridor

- Goal: Support regional economic growth
  - Provide for reliable and efficient movement of goods and people through the I-205 corridor

- Goal: Support travel demand management
  - Design 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 (e.g. transit, parking, etc.) in the region

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