



Why Right Size Right Now?

To Members of the Oregon Legislature,

The **Just Crossing Alliance** (JCA) is a coalition of 33 advocacy organizations committed to a **prosperous, resilient, and inclusive Pacific Northwest**. We believe a seismically safe bridge replacement that meets the economic and environmental needs of Oregonians is crucial and possible. Many of our organizations have engaged with the Interstate Bridge Replacement Program (IBRP) since the Locally Preferred Alternative (LPA) process, and are demanding a right sized bridge as soon as possible.

The current IBRP design proposal estimates the upper cost for the total project to be \$7.5 billion. It proposes that Oregon fund \$1 billion of that through General Obligation (GO) bonds.¹ The JCA offers recommendations to ensure Oregon is set up for success, which is especially important in light of the funding being requested from Oregon.

More than a Bridge: Right Size, Right Now is about the State's Future

- With an estimated total price tag as high as \$7.5 billion, the currently-proposed bridge represents the largest infrastructure project in state history. Even if the IBR project came in at budget, the state should examine whether we really need, and can afford, the IBRP as currently proposed.
- Oregon's residents, economy, and the state budget have experienced large cost overruns with each of the state's major highway projects for the past 20 years.² That is not an unusual occurrence with large projects, but Oregon should be clear-eyed about this likelihood and again examine whether the number of lanes and interchanges is appropriate within Oregon's means.
- ODOT's revenue is dwindling while Oregon's need for investments in safer roads across the state is growing. Even as Oregon's traffic fatalities reach record highs, our state also has a growing maintenance backlog, rising transportation-based greenhouse gas emissions and local air pollution, and a roster of more than 700 bridges that need seismic upgrades.³ Can we afford ODOT's request for over a billion dollars for just one project? Right-sizing the IBRP means Oregon can replace the bridge while empowering you to deliver on meaningful projects in every district throughout the state.
- We must be extremely careful when using GO bonds backed by general funds for transportation projects. Every dollar of general funds spent on transportation projects is a dollar less for other state priorities and needs such as education, healthcare, affordable housing, and environmental investments.

Please consider these four recommendations regarding the design, the draft funding framework, and bill language provided by the Joint Committee on Transportation Co-Chairs.

¹ The current IBRP funding proposal consists of \$1 billion in General Obligation (GO) bonds from Oregon, \$1B from Washington, \$1.7 to \$2.7 billion from the federal government (\$900M to \$1100M in FTA New Starts CIG funding specific to transit funding, and \$860 to \$1600M in FHWA / USDOT Federal Grants for other uses), and \$1.1 to \$1.6 billion from toll revenue.

² <https://cityobservatory.org/odots-reign-of-error-chronic-highway-cost-overruns/>

³ https://www.oregon.gov/odot/Programs/ResearchDocuments/2009_Seismic_Vulnerability.pdf



1. **Phase project funding like Washington**
2. **Serve all Oregonians: Create local jobs, invest in environmental justice, and fund transit, safe biking, walking, and rolling. Investments in local Oregon communities can transform them into housing and economic centers.**
3. **Size Matters: Direct IBRP to adopt bridge design options that are financially responsible to all of Oregon's other transportation needs.**
4. **Establish measurable indicators for success: Include financial accountability and transparency**

The Pacific Northwest needs this bridge. You have the power and opportunity to get this historic investment right. We are eager to collaborate with your offices further to share more details of these recommendations to ensure that Oregon invests in the Right Bridge, Right Now.

Sincerely,
The Just Crossing Alliance
4/20/23



Date: 4/20/23

To: Oregon Legislature

Re: Policy Details for the Just Crossing Alliance's "Right Size Right Now" Proposal

The following policy details accompany the JCA's 4/20/23 Letter to the Oregon Legislature.

1. Phase project funding like Washington

- A) Washington State has pledged a billion dollars for this project, but is in the process of allocating \$300M. We suggest Oregon do the same, as this "pledge and allocate" model allows Oregon Legislators multiple opportunities through future funding allocations to ensure they are confident with the project's direction while still advancing the project timeline. **This is why JCA recommends the Oregon Legislature authorize only the amount required for Oregon and Washington to compete for federal funding and secure federal funding for light rail (approximately \$250-300M) in 2023.** Matching our pledge to Washington's has a multitude of benefits including reducing financial risk and giving legislators more control over the project.
- B) **The Just Crossing Alliance does not support using \$1 Billion in General fund bonding to pay for this project. This means** preserving the firewall between user-paid transportation funds and the General Fund without jeopardizing funding for other critical transportation needs throughout the state.
- C) Within any bonding and funding issued for the project, legislators need to ensure that investments in seismic resilience, transit that can move more people around the region efficiently and reduce highway congestion, VMT reduction, and active transportation are made the first priority in construction and protected from cost overruns. Scope reductions should only target unneeded interchange and roadway elements.

2. Serve all Oregonians: Ensure local jobs, invest in environmental justice, and fund transit, safe biking, walking, and rolling. Investments in North Portland and Hayden Island can transform them into housing and economic centers.

This bridge has the ability to rapidly and dramatically improve livability in North Portland and Hayden Island through effective community planning and investments that leverage the investments being made in transit and active transportation.

- A) **We urge the Oregon Legislature to apply strong labor protections and standards to the IBRP and invest in good local jobs for Oregon and Washington workers. These standards should include a requirement for ODOT to partner with labor unions to establish project labor and community workforce agreements that prioritize Oregon and Washington labor and contracting, particularly with minority contracting, improve safety and benefits for workers, and create opportunities for women, people of color, and veterans to enter the industry.** These steps will ensure that these dollars continue to circulate in our communities and bring economic opportunities to our region far into the future.
- B) **We ask that the Oregon Legislature provide funding to facilitate a study on smart land use outcomes that maximize housing access, economic opportunity, and transit**

ridership. This study should assist in station planning, zoning reform, transit oriented development, land banking, and safety improvements that support multimodal transportation and community. Local partners like Metro, the City of Portland, and TriMet should pursue additional funding to improve community built environments around this investment. These investments have the potential to catalyze the production of housing, jobs, and new economic development, particularly on Hayden Island, which has experienced massive changes due to changes in the economy and consumer purchasing habits.

3. Size Matters. Direct ODOT to design bridge options that are economically and practically viable.

The Just Crossing Alliance has concerns the current design can, and likely will, go over budget. As it currently stands, the legislature only has one bridge design it can fund and approve, regardless of the state's ability to pay for it. The Legislature's most significant tool to right size this bridge, and have the ability to potentially pick a cheaper alternative, is your ability to direct the IBRP team to consider alternatives to the current bridge design option.

- A) **The current bridge design - with a high arch span - necessitates spending several billion dollars replacing numerous costly freeway interchanges north and south of the river.** ODOT states it is studying a lift-bridge option, but IBRP's current proposed lift-bridge does not include the cost-saving features.
- B) We ask **Legislators to direct ODOT to explore at least one alternative design that would lower costs of the proposed replacement while preserving critical project elements like high capacity transit and robust active transportation networks onto and across the bridge.**
- C) **The Oregon Legislature should set in place a total project cost limit of \$5b. If the Legislature requested a bridge design in this limited funding scope, and required a design such as a lift span focused on livability, access, and cost savings, the project could deliver transit and seismic resilience with a lower contribution from each state and with lower tolls.**

Ensuring you request this option now means that the legislature has multiple cards to choose from and play, instead of committing to only one costly option.

4. Establish strict metrics of financial accountability and transparency.

We recommend that Oregon Legislature stipulate that the bonds in any form should not be issued until the following conditions are met, which relate to total project costs:

- A) **Federal grants have been secured:** If federal grant awards are lower than currently forecasted, the project must be downsized to meet those financial realities.
- B) **An investment grade toll revenue study to be completed by the fall of 2024.** With tolling so new to the region, this study is critical for determining how much toll revenue Oregon and Washington can realistically expect.

- C) **Require the reinstatement of an Independent Review Panel,**⁴ modeled on the previous panel that monitored the Columbia River Crossing in 2010 and provided crucial budgetary and design feedback independent of the principal state agencies.⁵
- D) **The Coast Guard approves the project:** The Coast Guard is an equal partner in this project in determining the navigational clearance determination, which specifies limitations on the height of ships passing under the bridge. The IBRP has not earned their approval and if IBRP has to mitigate through compensation to river users who might be impacted, this will add to the total project cost. Note that a lift span would likely remove the need to compensate users who might have been impacted as they will have the same level of access.
- E) **Retain important legislative safeguards:** HB2098 -2 currently proposes to repeal important fiscal safeguards established in 2013. We urge you to retain the current law regarding these safeguards, which were put into place through robust public and legislative dialogue and are essential to the accountability and transparency of this project.. The following are set to be removed by the -2 amendment:
 - a) Certification of the financial plan by the State Treasurer, including a review of an Investment Grade Analysis of toll revenue
 - b) Requirement of a Coast Guard permit for the project
 - c) Restrictions on pledging money appropriated to Cities and Counties as security for bond repayments

⁴ <https://cityobservatory.org/risky-bridges-deja-vu-all-over-again/>

⁵ https://www.wsdot.wa.gov/accountability/ssb5806/docs/6_Project_Development/ExternalReviewValidation/Bridge_Review_Panel/BRP_Report.pdf