



Date: April 25, 2024

To: Keith Lynch, Federal Highway Administration

CC: Megan Channell, Director, Rose Quarter Freeway Expansion
Portland Transportation Commissioner Mingus Mapps
Oregon Transportation Commission
Shailen Bhatt, Federal Highway Administration

From: Joe Cortright, No More Freeways
Chris Smith, No More Freeways
Doug Allen, AORTA--Association of Oregon Rail and Transit Advocates

Subject: **Additional Comment for Inclusion to Rose Quarter Freeway Expansion SEA Public Record: Cancellation of RMPP Represents Significant Challenge for Funding Rose Quarter**

"Some highway engineers have a mentality ... that would run an eight-lane freeway through the Taj Mahal. That is our problem."

– Oregon Governor Tom McCall, 1970

On April 8, 2024, No More Freeways sent you a copy of Oregon Governor Tina Kotek's March 2024 directive to the Oregon Transportation Commission (OTC) and the Oregon Department of Transportation (ODOT) shutting down the Regional Mobility Pricing Project (RMPP) and indefinitely pausing all work toward implementation of tolling on I-205.¹

Referencing the Rose Quarter Supplemental Environmental Assessment, we said "In light of this we can see no way that funding for this project can be considered 'reasonably available' ..."

¹Governor Tina Kotek's letter, dated March 11, 2024, is available here:

[https://www.oregon.gov/odot/tolling/Documents/03.11.24_Regional%20Mobility%20Pricing%20Project%20Governor%20Kotek%20Letter%20\(1\).pdf](https://www.oregon.gov/odot/tolling/Documents/03.11.24_Regional%20Mobility%20Pricing%20Project%20Governor%20Kotek%20Letter%20(1).pdf)

No More Freeways' subsequent April 8, 2024, letter is available here:

<https://nomorefreewayspx.com/wp-content/uploads/2024/04/Supplemental-Comments-on-effect-of-RMPP-pause-on-Rose-Quarter-finance.pdf>



We write to you today to ensure that you and your agency (FHWA) are able to arrive at the same conclusion.² Below, we set forth in additional detail, facts supporting this conclusion and their logical connections to it.

A. Significant points in Governor Tina Kotek's letter:

There are six significant details included in Governor Kotek's letter that we believe are worth outlining explicitly, as they directly articulate the significant consequences that the end of the RMPP program represents for the ability of the state to raise the funding for the proposed \$1.9 Billion Rose Quarter Freeway Expansion. They are as follows:

1. Gov. Kotek permanently removes one major RQ funding source, regional tolling, and, by halting I-205 project-specific tolling, indefinitely delays ODOT's ability to repay money that was redirected from the RQ Project to the I-205/Abernethy Bridge reconstruction:

"After years of work, the challenges of implementing the Regional Mobility Pricing Project (RMPP) have grown larger than the anticipated benefits. Therefore, I believe it is time to bring the agency's work on the RMPP to an end and delay additional expenditures for implementation of tolling on I-205 to the future when the legislature can further evaluate and provide clearer direction on tolling." [par. 2]

2. Gov. Kotek directs ODOT and OTC to use Washington State infrastructure to collect tolls on IBR, further removing any likelihood that Oregon will have infrastructure to collect tolls for the RQ in the foreseeable future:

"Any delay to building tolling infrastructure in Oregon must not impact the collection of toll revenues for the Interstate Bridge Replacement project (IBR). ODOT and the Commission shall work with our partners in Washington to develop a transition plan to utilize the Washington State Department of Transportation's tolling infrastructure for IBR to keep this important project on track." [par. 3]

3. Gov. Kotek says that the Urban Mobility Strategy finance plan shows that inadequate tolling revenue means that there isn't enough money to build the RQ project:

² Since 2017, No More Freeways has continued to demand that ODOT conduct a full Environmental Impact Statement (EIS) on the Proposed Rose Quarter Freeway Expansion that considers alternatives to expansion. Seven years later, after numerous cost escalations, design flaws, legal initiatives, multiple advisory committees, over \$110m of ODOT spending and literal thousands of public comments from the public, we continue to call attention to this project in hopes that state and federal leadership will direct ODOT to pursue more cost-effective alternatives that do not include additional expansion of freeway capacity.



“A primary goal of the [RMPP] finance plan was to document the costs of the I-5 Rose Quarter Improvement and the I-205 Improvements projects and daylight the extent to which tolling revenues were assumed in their financing. The finance plan made clear that rising project costs and uncertainty around future toll revenues meant that the state did not have all the funding needed to proceed with the full strategy as originally envisioned.” [par. 4]

4. Gov. Kotek says that the Equity and Mitigation report shows that an acceptable tolling program fails to generate enough money:

“The report also highlighted that a toll program which keeps toll rates low enough for working families and raises enough funding for major projects would fail to meet expectations for local project funding and revenue sharing.” [par. 5]

5. Gov. Kotek says that ODOT has a funding shortage that goes well beyond the Portland area freeway expansions:

“As you know, ODOT faces catastrophic funding challenges which must be tackled head on in the 2025 legislative session.” [par. 6]

6. Finally, Gov. Kotek makes it clear that this is an order to ODOT and the OTC, not a request:

“The decision to stop the work on the RMPP, and pause development of Oregon’s toll collection program, is not one I come to lightly.” [par. 7]

B. Proposed \$1.9 Billion Rose Quarter Freeway Expansion Project is a story of increasing cost and decreasing resources:

As we show below, the lack of sufficient funding for the RQ project has been inextricably tied to a misleading, contradictory, and continually changing narrative regarding the funding availability and funding needs of a competing project, the “I-205: Stafford Road to OR 213 Project” also known as the “Combined Interstate 205 Abernethy Bridge and Widening Projects.”

The original RQ Project funding source was \$30 million per year from a gas tax increase starting January 1, 2022, provided by HB2017 (2017 legislative session), section 71a. (2)(a).

When the final language of HB2017 was drafted, the pot of money was clearly limited, and one nearly “shovel ready” ODOT project, the I-205 Abernethy Bridge reconstruction and roadway widening to the Stafford Road Interchange, failed to receive funding. Recognizing the lack of money, the Legislature created a “budget note” directing ODOT to investigate use of toll revenue



to pay for the project. Any “value pricing” revenue from HB2017 was to be dedicated to the I-205 project.³

Although this budget note expired at the end of 2018, and “value pricing” (tolling) revenue is now unavailable for the foreseeable future, this set up ODOT for claiming that this phantom revenue would be available for both the RQ project and the I-205 project.

The Jan. 5, 2018 “Cost-to-Complete Report” for the I-205 project, mandated by HB2017, was presented to the OTC and the Joint Committee on Transportation (JCT). This report assumed that tolling would not be used to pay for the project.⁴

As the report was presented to the May 23, 2018 JCT meeting, Co-chair Lee Beyer questioned how it would be possible to build the I-205 Project without toll revenue, and was told that tolling could be studied later.⁵

Sen. Beyer: My question would be: At what point do we have the information necessary to submit to the Federal Government, the right to do the value pricing on this?

Rian Windsheimer, Region I ODOT Administrator: This report does not assume, um, tolling as a, as a revenue source. This cost to complete report assumes that we are moving forward with what's known as a categorical exclusion in terms of our environmental process. We've been running to complete that, and that's what these, all these assumptions assume. If you were to move forward with ah, ah, asking to move forward with a tolling scenario, we would need to back up, and begin an environmental process around that tolling effort. And so that would be up to two, three, or more years of environmental work associated with implementing tolling, so that is going to vastly change what you are seeing here, in terms of the cost-to-complete report, and the timeline. Um, your question regarding when are we talking about submitting to the Federal Government as part of the value pricing component that we're going to be forwarding. I know you're going to get a chance to hear more from Travis about this a little bit later, but we expect to have that by the end of the year [2018].

Sen. Beyer: My assumption, and I think the Committee's assumption, is that this would be a tolling project, [murmurs of agreement from Committee] and I don't know where you are gonna get the money, or where we're gonna get the money, if we don't do it that way.

³This budget note, part of HB 5045 (2017 session) is available here on page 7:

<https://olis.oregonlegislature.gov/liz/2017R1/Downloads/MeasureAnalysisDocument/40111>

⁴ This report is available here:

<https://static1.squarespace.com/static/63040dd5335b6d4b85545662/t/635b03f6bc4fe474029181dc/1666909202717/cost-to-complete.pdf>

⁵ The video of this May 23, 2018 Joint Committee on Transportation meeting is available here, with the remarks beginning around 34:45: <https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2018051027>



In December, 2018, ODOT reported back to the Oregon Legislature with possible funding scenarios for the "I-205 Improvements Project."⁶ All three scenarios anticipated tolling both I-5 and I-205 to pay for the I-205 project:

The preliminary toll revenue projections for I-205 assume gross revenue of \$45-55 million per year in 2017 dollars (see Attachment 1). The I-5 tolling project is also anticipated to generate \$45-55 million in gross revenue per year in 2017 dollars. These numbers are preliminary and will be refined upon further analysis. Together these segments are anticipated to generate enough revenue to fund the remaining balance of the I-205 Stafford Road to OR 213 Project, however, there are implications and issues associated with each. [page 5 of December 2018 'Funding Scenarios' report (page 7 of pdf)]

Nevertheless, on December 20, 2018, FHWA granted ODOT a "Documented Categorical Exclusion" (DCE) for the entire "I-205 Improvements Project," all phases, which stated a contrary point-of-view. Page 2 of the DCE said "...value pricing is not considered a reasonable and foreseeable action."⁷

By late 2018, the amount set aside for the RQ project in HB2017 was apparently inadequate. A letter dated December 10, 2018, sent by ODOT/OTC to Phil Ditzler, Oregon Division Administrator, FHWA, asked for permission to toll portions of I-5 and I-205. The letter indicated that toll revenue would fill a funding gap on the RQ Project and would also go to the I-205 project.⁸

From first paragraph of ODOT's 2018 letter:

"On behalf of the Oregon Transportation Commission (OTC) and Oregon Department of Transportation, we are pleased to submit our application for Federal Highway Administration (FHWA) approval to move forward toward implementation of freeway tolling on segments of Interstate 5 and Interstate 205 in the Portland metro area."

From fourth paragraph of letter (emphasis added):

"Informed in part by these conclusions, HB 2017 Section 120 directed the OTC to establish a Traffic Congestion Relief Program and to pursue value pricing as a means of managing congestion on the freeways and providing funding for critical transportation

⁶ This report on the I-205 Freeway Expansion project is available here:
[https://www.oregonlegislature.gov/committees/2019I1-JCT/Reports/HB%205045%20\(2017\)%20-%20Interstate%20205%20Project%20Funding%20Scenarios%20\(December%202018\).pdf](https://www.oregonlegislature.gov/committees/2019I1-JCT/Reports/HB%205045%20(2017)%20-%20Interstate%20205%20Project%20Funding%20Scenarios%20(December%202018).pdf)

⁷ The Documented Categorical Exclusion report for I-205 is available here:
<https://www.i205corridor.org/s/nepa-categorical-exclusion-documentation.pdf>

⁸ ODOT's 2018 letter to FHWA seeking permission to toll is available here, and is included as the first of five attachments to this letter:
https://www.oregon.gov/odot/tolling/ResourcesHistory/VP%20Final_FHWAApplication_Draft.pdf#page=6



*investments. HB 2017 also established a Congestion Relief Fund as the repository for all net tolling revenues to ensure that highway toll revenues will be used to provide congestion relief. Initial investments include two planned projects on I-5 and I-205: the seismic reconstruction and widening of a segment of I-205 between Oregon Highway 99E and Stafford Road, including the George Abernethy Bridge, and **completion of the Rose Quarter project on I-5**, which includes new freeway auxiliary lanes and relocation of a southbound on-ramp, as well as improvements to the surface transportation network.”*

No further funding was provided by the 2019 Oregon Legislature for the I-205 project despite requests from local elected officials.

In part due to pressure to fund the I-205 Abernethy Bridge and freeway widening, the 2021 session of the Oregon Legislature passed HB3055, in which section 130 revoked the \$30 million per-year earmark for the RQ Project, allowing that money to be spent on a range of freeway expansion projects. HB3055 also expanded ODOT authority to sell bonds backed by future toll revenue and increased allowable amounts of short-term borrowing.

As costs for the Abernethy Bridge increased, it became obvious that toll revenue would still be needed in addition to the money diverted from the RQ project, if there was to be any hope of completing the I-205 widening and bridge reconstruction. As this reality sank in, ODOT pursued amendments to the then-current RTP and MTIP, to toll I-205. As this contradicted the premise for the I-205 Categorical Exclusion that no tolling was needed, FHWA and ODOT engaged in a re-evaluation of the NEPA approval of the project dated May 4, 2022.⁹

In conjunction with this re-evaluation, ODOT engaged in a maneuver akin to “check kiting” (using float to make use of non-existent money). ODOT asserted to FHWA that tolling was not necessary to pay for the I-205 Abernethy Bridge, so FHWA allowed construction of the bridge to proceed based on the previously approved “Categorical Exclusion.”¹⁰ The general freeway widening was added into the separate I-205 toll project NEPA evaluation.

Re-evaluation Section 4.0: (emphasis added)

⁹ The FHWA reevaluation of the I-205 NEPA approval, cited here and quoted at length on the next page of our letter, is available here:

https://www.oregon.gov/odot/tolling/I205%20Files/I-205%20Improvements%20Project%20CE_Reevaluation_050422_signed.pdf

¹⁰ No More Freeways joined hundreds of Oregonians in submitting written testimony during the public comment period opposing the I-205 Freeway Expansion, providing technical detail as to the flaws in this proposal. Our official letter dated April 18, 2023 can be read here:

<https://nomorefreewayspx.com/wp-content/uploads/2023/04/nmf-and-nca-i-205-ea-comments.pdf>

No More Freeways also submitted this letter to the FHWA regarding the errors in calculating the Benefit Cost Analysis included in the I-205 Freeway Expansion documents.

<https://nomorefreewayspx.com/wp-content/uploads/2023/03/032123-i205-benefit-cost-errors.pdf>



*“Recently signed into law, Oregon House Bill 3055 provides financing options that allow Phase 1a of the I-205: Stafford Road to OR 213 Improvements Project to be constructed beginning in the spring/summer 2022 **without the use of toll revenue**. Construction of the remaining phases of the I-205: Stafford Road to OR 213 Improvements Project will require toll revenue.”*

Re-evaluation Section 6.0:

“FHWA has concluded that the CE Closeout Document dated December 20, 2018, is still valid for the I-205: Phase 1a Project and that no additional NEPA documentation outside of this Re-evaluation is necessary. FHWA signature on this document indicates that a supplemental NEPA document is not necessary and that any additional environmental documentation and consideration is included within or is incorporated by reference in this re-evaluation.

As documented in this Re-evaluation, the remaining construction phases of the I-205: Stafford Road to OR 213 Improvements Project are now included in the I-205 Toll Project. The environmental effects of those phases will therefore be analyzed in the I-205 Toll Project EA.”

Simultaneously, ODOT asserted to the Oregon Transportation Commission (and others) that **tolling would be imposed on the Abernethy Bridge after construction** using a NEPA process specifically for tolling. Short-term borrowing authorized by HB3055 along with transfer of RQ HB2017 money are now, we assume, paying for construction on the Abernethy Bridge. Tolling of I-205 was supposed to repay this money.

On May 4, 2023, Governor Kotek announced postponement of I-205 tolling until January 1, 2026.¹¹ She referenced establishment of a new Special Subcommittee on Transportation Planning of the Joint Committee on Transportation:

“Since taking office, I have heard consistently from stakeholders and residents that they need to understand more of the impacts and tradeoffs of tolling I-205 and I-5 before these tolls take effect.. I have asked Director Strickler to provide me with updated finance plans for projects within ODOT’s Urban Mobility Strategy by July 1, 2023.”

With Governor Kotek’s initial suspension of tolling on I-205 until 2026, ODOT and the OTC chose to indefinitely suspend the freeway widening and associated reconstruction and tolling of the Tualatin River bridges.

Here is what Travis Brouwer, ODOT Assistant Director of Revenue, Finance and Compliance, said to the Oregon Transportation Commission on June 28, 2023, about how Urban Mobility

¹¹ Governor Tina Kotek’s May 4, 2023 letter pausing tolling is available here, and is included in this letter as the second of five attachments: https://www.oregon.gov/odot/tolling/Documents/05.04.23_Tolling%20Letter.pdf



Strategy finance plans had changed following Governor Kotek's May 4, 2023 tolling pause (emphasis added):

"So, this brings us to the available funding before and after the change in toll collection schedule. So the only thing that really changed is the amount of revenue that we expect we can get from I-205 tolls, which by going to tolling only on Abernethy Bridge reduces from 700 million to approximately 385 million. That takes the total resources down from 1.4 billion dollars to 1.1 billion dollars that we have reasonably available in the near term.

*So, I should note however, that while we include I-205 tolls in the funding mix of reasonably anticipated revenue, **those dollars are not in the bank** in the same way that the HB2017 funds or the other Federal, State, and Local funds are in the bank. There is some risk to these funds, because we need to get federal and regional approval for tolling the I-205 bridge and ultimately the Commission needs to approve tolling the bridge and set the toll rates in order to achieve those revenues. **However, we've already put the Abernethy Bridge Project out to bid based on the assumption of being able to toll this and it is under contract, under construction. So we have now the situation where if for any reason tolls on I-205 do not move forward, whether that's due to action at the federal, state or regional level, it would punch a significant hole in the finance plan.**"¹²*

Gov. Kotek's March 11, 2024 order to also suspend the Abernethy Bridge tolling obviously does, in Mr Brouwer's words, "punch a significant hole in the finance plan."

No More Freeways has every reason to believe that the money originally earmarked in HB2017 for the RQ project will be consumed by the Abernethy Bridge project or in repayment of funds borrowed for that project. In other words, regardless of any prospect for tolling I-5, cancellation of the I-205 tolling combined with the diversion of gas tax revenues from the RQ to the Abernethy Bridge allowed by HB3055, means that the original funding sources for the RQ project have been eliminated.

These funds were relied on by Metro, ODOT, and FHWA once the RQ project was included in the 2018 Fiscally Constrained RTP project list (Project #11176), part of the 2018 update to the Regional Transportation Plan adopted Dec. 6, 2018 by the Metro Council via ordinance number 18-1421.

Appendix H of the 2018 RTP update provides more detailed information about the forecasting assumptions, sources of funding accounted for, and process used to develop the financially constrained revenue forecast. On page 34, it identifies HB 2017 providing "For calendar years

¹² Mr. Brouwer's comments at the June 2023 Oregon Transportation Commission meeting are available in full here: <https://youtu.be/ry8j6oy7BmA?si=lx13x-H6GocyUM6g&t=2753>



beginning on or after January 1, 2022, \$30 million for the I-5 Rose Quarter Project.¹³ Notably, at Metro's August 2, 2018 hearing on the RTP update, No More Freeways' Chris Smith testified against the RQ project being included in the 2018 RTP.

FHWA should not assume continuing funding availability based on prior assumptions that have been rendered false by subsequent events.¹⁴

The 2023 Metro Regional Transportation Plan, on page 5-14, contains a chart showing revenue assumptions for state projects.¹⁵ It shows the plan assuming that approximately 49 percent of state transportation revenue funding for the plan would be generated from toll revenues, most notably I-205 toll revenues (22 percent), Interstate Bridge Replacement (IBR) toll revenues (22 percent), and Regional Mobility Pricing Project (RMPP) toll revenues (6 percent). Most of this toll revenue funding is now gone, meaning that it is not reasonably available under any common understanding of the phrase.

Not only is the HB2017 money no longer available for the Rose Quarter project, the planned tolling of I-5 has been eliminated, and all that remains in the way of local funding is hypothetical discussion of possible funding to be supplied by a 2025 Oregon Legislature that has not yet been elected. As we showed above, I-5 tolling has been relied upon for RQ Project funding since December 2018, if not earlier. **FHWA should be skeptical that any ODOT project has reasonably available funding, given the history of the RQ and I-205 projects.**

Subsequent to the November 15, 2022 publication of a Supplemental Environmental Assessment, the RQ Project has undergone additional design modifications that have caused additional cost increases, as presented to the Oregon Transportation Commission at their June 28, 2023 meeting by Brendan Finn, ODOT Urban Mobility Office Manager:

Oregon Transportation Commissioner Baker: "...but as it relates to the Rose Quarter, and again I think we're all feeling like this is an important project on a whole lot of levels.. The cost from the time that the Commission last looked at this in 21, versus the cost that we're looking at today have increased by 30%, and I'm just curious about governance and what happens when we get scope creep, when we get inflation...

At what point do we have an obligation to go back and re-look at decisions we have made in the past whether it be 205 or the Rose Quarter..."

¹³ Appendix H - the Regional Transportation Plan's Financial strategy Documentation - is available here: https://www.oregonmetro.gov/sites/default/files/2020/07/08/RTP-Appendix_H_Financial-Strategy-Documentation.pdf

¹⁴ Metro's Ordinance 18-1421 to approve the 2018 Regional Transportation Plan is available here: <https://oregonmetro.legistar.com/View.ashx?M=F&ID=6791707&GUID=C0D6FC4B-7A5C-4B74-BF6C-A6EE319A2B8A>

The fiscally constrained project list is available here: <https://www.oregonmetro.gov/sites/default/files/2019/04/02/2018-RTP-Appendices-A-and-B-Constrained-Project-List.pdf>

¹⁵ Page 5-14 of Metro's Regional Transportation Plan is available here: <https://www.oregonmetro.gov/sites/default/files/2023/12/21/2023-RTP-Ordinance-No-23-1496-adopted-package-exhibit-A.pdf#page=304>

This document is also included as the third of five attachments to this letter.



Brendan Finn assures Baker that the design is now fixed.

Commissioner Baker: *"OK, So as I understand it, the [Rose Quarter Freeway Expansion project] design is frozen, at this point, it's pens down, no more changes?"*

Brendan Finn: *Well, I will say that we are going through an environmental process right now. We are working with our federal partners, so I don't want to get out in front of that, Commissioner we do need to still look at some of the efforts that we're gonna need to put in to get that approval. They have not signaled that yet, so I guess I want to caveat that, but this is the design that we've been, that we're putting forward."*¹⁶

As NMF has documented in public comments submitted on the 2022 Supplemental Environmental Assessment, ODOT is really proposing a roadway wide enough to accommodate ten full travel lanes.¹⁷ **Building a project of this width is, on its face, a violation of the terms of the funding provided to the Rose Quarter via its Reconnecting Communities grant.** The conditions of that grant funding are unambiguous; as stated in FHWA's official announcement of the award:

*Importantly, projects receiving RCN grant funding cannot be used for additional through travel lanes for single-occupant passenger vehicles or highway expansion.*¹⁸

The fact that is project is obviously a massive freeway widening undercuts any claims that Reconnecting Communities funds are a valid source of funding for the project as currently designed, and further undermines any ability of USDOT to plausible argue that funding for the project in its current guise is "reasonably available" and merits a finding of no significant impact."

Furthermore, the June 2023 finance plan prepared by the Oregon Department of Transportation makes it clear that there will be further cost increases for the Rose Quarter project beyond the \$1.9 billion price tag. In materials submitted to the Oregon Transportation Commission, ODOT staff made it clear than the \$1.9 billion estimate applied to the now-superseded "Hybrid 3" design as presented in the 2022 Supplemental Environmental Assessment, and not the further changes to the project developed since then, which include substantial additional expense for a "flyover" exit ramp and added bike crossing of the freeway. ODOT says it will advance the project to "30% design" in 2025, "updating the total project cost estimate to reflect the advanced

¹⁶ This exchange during an ODOT presentation to the Oregon Transportation Commission on June 28, 2023 is available here, 1:28:30 into the video: <https://youtu.be/ry8j6oy7BmA?si=QDxoJamS0nRZ0aWR&t=5309>

¹⁷ No More Freeways and Neighbors for Clean Air submitted public comment for the Supplemental Environmental Assessment dated January 4, 2023. It is available here: <https://nomorefreewayspx.com/wp-content/uploads/2023/01/no-more-freeways-and-neighbors-for-clean-air-primary-comment-letter-on-rose-quarter-supplemental-ea-1.pdf>

Testimony from numerous other community advocacy organizations in opposition to the project during the 2022 SEA and 2019 EA public comment periods are available here: <https://nomorefreewayspx.com/seapubliccomment/>

¹⁸The letter from FHWA's John Augustine is available here: https://nomorefreewayspx.com/wp-content/uploads/2024/04/RQ_ReconnectingAwardLetter.pdf



design and outcomes of the environmental process.”¹⁹ ODOT has consistently underestimated the cost of this project (it was pitched to legislators in 2017 with a price tag of \$450 million, raised to \$800m in 2019, and now \$1.9 billion in 2023) to an extent far beyond any explainable by inflation or updated project design.

C: ODOT itself claims overall funding shortages:

Below, we provide references to material in the RMPP reports, which we also attach to this letter. We also provide references to public presentations by ODOT that set forth ODOT’s funding shortfalls.

Page 4 of the RMPP Equity and Mitigation Report includes the following paragraph indicating that tolling is a necessary component of funding “major projects in the Portland metro area”:

*To cover the costs of major projects in the Portland metro area, a statewide fuel tax increase would have to be significant and would require drivers statewide to fund major construction projects in the Portland region. Tolling ensures those who benefit most from the improvement, fund the improvement. To have a variety of funding sources, we continue to enhance and expand OReGO, our voluntary road usage charging program, to serve more Oregonians. However, to significantly increase the number of enrollees in the program, and therefore raise significant revenue, the legislature would need to make enrollment mandatory for certain vehicles. In the absence of that action, the program will not generate adequate revenue to avoid tolling as a necessary supplement to address our revenue shortfalls.*²⁰

Pages 17 and 18 of the RMPP Finance Plan says that the Rose Quarter project requires “additional funding” beyond that shown:

ODOT will need additional funding beyond the \$158 million proposed in this finance plan to get the I-5 Rose Quarter Improvement Project ready for construction by completing the Main Construction Package design (advancing from 30% design to 100% design), buying right of way, and relocating utilities, as well as additional funding to construct the project.

¹⁹ Oregon Department of Transportation, Urban Mobility Strategy, Finance Plan, June 2023, https://www.oregon.gov/odot/Get-Involved/OTCSupportMaterials/Agenda_B_UMS%20Finance%20Plan_Attach_01.pdf This document is also included as the fifth of five attachments to this letter. Joe Cortright has written at length about the likelihood of continued escalation of costs of the Rose Quarter Freeway Expansion in a blog post published on *City Observatory* dated September 7, 2023: *Extend and Pretend: ODOT’s Zombie Rose Quarter project* <https://cityobservatory.org/extend-and-pretend-odots-zombie-rose-quarter-project/>

²⁰ RMPP’s Equity and Mitigation Report is available here: https://www.oregon.gov/odot/tolling/Documents/2023_1215_FINAL_ODOT-Toll_ImplementationRpt.pdf This document is also included as the fourth of five attachments to this letter.



In September 2021, the total project cost estimate was \$1.18 billion to \$1.45 billion...

...At the time of this plan, ODOT has developed an updated total cost estimate of \$1.5 billion to \$1.9 billion for the full project...

No More Freeways and local advocacy organization Neighbors for Clean Air submitted a joint letter to FHWA dated July 24, 2023 pointing out that the UMS Finance Plan exposed the clear lack of funding for the RQ project, and told you that FHWA rules should prevent issuance of a Finding of No Significant Impact (FONSI).²¹

Even before Gov. Kotek's recent tolling cutoff, ODOT apparently sensed that its fiscal stability was collapsing. No progress had occurred during the 2023 legislature toward a replacement funding source. Cutbacks in maintenance such as winter snow removal had been threatened.

On February 22 and 27, 2024, ODOT presented a sobering picture of its financial condition to the legislature's Joint Committee on Transportation (JCT). The video of this presentation and the slides that accompanied it show that ODOT has major funding gaps in all areas of the agency.²²

In the February 22 meeting, ODOT Director Strickler declared "ODOT faces a significant structural shortfall."²³ Strickler and his staff discussed various ODOT program areas, discussing the insufficient funding. The presentation was continued on Feb. 27, where Director Strickler, referencing slides 35 and 36, again summarized the funding gaps previously presented:

*"We have to really solve for the increasingly insufficient and unreliable revenue or we will be back in service cuts."*²⁴

He thanked the JCT for providing a General Fund appropriation of \$19 million to ODOT this year to make up the most recent gap in maintenance funding, but reminded the Committee that this was one-time funding, and without long-term funding, more cuts would happen.²⁵ He covered how the agency would allocate additional funding, and on slide 35, made it clear that the HB 2017 projects would come last in priority.²⁶

²¹This July 2023 letter from No More Freeways and Neighbors for Clean Air is available here:

<https://nomorefreewayspx.com/wp-content/uploads/2023/07/RQ-Supplemental-Comments-re-UMO-Finance-Plan.pdf>

This letter provided updated information that was originally sent to FHWA on May 15, 2023, available here:

<https://nomorefreewayspx.com/wp-content/uploads/2023/05/051523-ODOT-Reasonable-Availability-of-RQ-Funding.pdf>

²²Slides prepared by ODOT and presented to the legislature on Feb 22 and 27 cited in this letter are available here:

<https://olis.oregonlegislature.gov/liz/2024R1/Downloads/CommitteeMeetingDocument/283007>

²³ The Feb 22, 2024 JCT meeting can be watched here, with Director Strickler's remarks occurring at 20:04:

<https://olis.oregonlegislature.gov/liz/mediaplayer?clientID=4879615486&eventID=2024021229&startStreamAt=901>

²⁴ The Feb 27, 2024 JCT meeting can be watched here, with Director Strickler's remarks occurring at 1:01:40:

<https://olis.oregonlegislature.gov/liz/mediaplayer?clientID=4879615486&eventID=2024021278>

²⁵The legislature approved this General Fund appropriation in Section 362 of SB 5701:

<https://olis.oregonlegislature.gov/liz/2024R1/Measures/Overview/SB5701>

²⁶ Same Feb 27, 2024 JCT meeting, Director Strickler's comments at 1:02:29:



Slide 36 summarized the anticipated funding gaps. Separate from the Urban Mobility Office/HB2017 projects, the agency has an estimated annual funding need of \$2.842 billion, and annual funding gap of \$1.778 billion.

This presentation assumed that I-205 Abernethy Bridge tolling could happen in 2026. Slide 30 gives I-205 costs. The Abernethy Bridge has a \$660 million cost, shown as fully covered, no funding gap. But the funding includes \$385M in anticipated tolling revenues, which have now evaporated. **Therefore, only 42% of the cost is covered, with a \$385 million gap. There is no way to repay the money taken from the RQ project.**

Despite our July 24, 2023 letter, FHWA did issue a FONSI on March 6, 2024, two days after Gov. Kotek indefinitely suspended tolling, knocking the last leg out from any plausible funding scheme. **Consistent with FHWA rules, we request that through a NEPA reevaluation or other reconsideration of the facts, FHWA revoke the FONSI and demand that ODOT pursue an Environmental Impact Statement (EIS) that explores alternatives to freeway expansion.** There is a clear precedent for this action in the previous January 19, 2022 revocation of the October 30, 2020 FONSI for the proposed Rose Quarter Freeway Expansion.

FHWA's requirement that project's not receive environmental approvals without a clear and well-documented finding that funding is reasonably available is an essential and prudent requirement to assure that money is not squandered on projects that cannot be completed, or which would pose an undue fiscal burden on sponsoring governments. The ballooning and as yet unresolved cost of this project, and the collapse of possible revenue sources means that there is no plausible way that FHWA can assert funding has been determined to be "reasonably available" as required by the agency's own regulations. Issuing a FONSI for this project at the current time is arbitrary and capricious.

Please find attached to this letter the following supplemental documents:

1. Letter from ODOT Director Garrett and OTC Commissioner Tammy Baney, requesting FHWA permission to toll, dated December 10, 2018
2. Letter from Governor Tina Kotek, to presiding officers, pausing tolling, dated May 4, 2023
3. Page 5-14 of Metro's 2023 Regional Transportation Plan, adopted Nov 30, 2023
4. RMPP Finance Plan, dated June 2023
5. RMPP Equity Mitigation Report, dated December 15, 2023

<https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2024021278>



Oregon

Kate Brown, Governor

December 10, 2018

Phil Ditzler
Oregon Division Administrator
Federal Highway Administration
530 Center Street NE, Suite 420
Salem, OR 97301

Dear Mr. Ditzler,

On behalf of the Oregon Transportation Commission (OTC) and Oregon Department of Transportation, we are pleased to submit our application for Federal Highway Administration (FHWA) approval to move forward toward implementation of freeway tolling on segments of Interstate 5 and Interstate 205 in the Portland metro area. The I-5/I-205 corridor provides a vital north/south interstate route serving the economies of the state of Oregon and the entire western US from Canada to Mexico.

This endeavor was initiated as part of the transportation package passed during the 2017 legislative session. House Bill (HB) 2017 funds \$5.3 billion for congestion-reducing projects, highway and bridge improvements, transit and active transportation investments, and more throughout the state. This bill is the largest transportation funding package in Oregon history and its passage underscores the scale and importance of transportation issues facing the state.

Even with these increased commitments, we know we must do more to make the most of our existing highways and to prepare for a transportation system that will meet the needs of a growing population and economy. A 2016 Transportation Vision Panel convened by the Governor's Office reported that congestion on Portland metro highways is impacting economic competitiveness for the entire state. The statewide panel established a need to eliminate bottlenecks and improve overall throughput on the highest-priority corridors of statewide significance. The panel also acknowledged the urgent need to secure resources to shore up seismic resiliency in coordination with other West Coast states and the federal government.

Informed in part by these conclusions, HB 2017 Section 120 directed the OTC to establish a Traffic Congestion Relief Program and to pursue value pricing as a means of managing congestion on the freeways and providing funding for critical transportation investments. HB 2017 also established a Congestion Relief Fund as the repository for all net tolling revenues to ensure that highway toll revenues will be used to provide congestion relief. Initial investments include two planned projects on I-5 and I-205: the seismic reconstruction and widening of a segment of I-205 between Oregon Highway 99E and Stafford Road, including the George Abernethy Bridge, and completion of the Rose Quarter project on I-5, which includes new freeway auxiliary lanes and relocation of a southbound on-ramp, as well as improvements to the surface transportation network.

This application presents the process and results of a Value Pricing Feasibility Analysis that was completed in June of this year. Through that feasibility analysis process, a Policy Advisory Committee (PAC) of regional stakeholders from Oregon and Washington considered several potential pricing projects on I-5 and I-205, informed by strong technical analysis and public engagement. We thank you for participating in this process as an ex officio member of the PAC. The proposed projects presented in this application reflect the PAC recommendation to move forward tolling projects on both I-5 and I-205.

To ensure that these new projects will successfully improve mobility for the region, the PAC also advanced three priorities for future mitigation strategies: improved public transportation and other transportation options for equity and mobility; special provisions for environmental justice populations, including low income communities; and strategies to minimize and mitigate negative impacts of diversion.

The OTC accepts and concurs with the recommendation of the PAC and seeks to advance pricing projects on both I-5 and I-205 in order to provide a north/south freeway system that can be managed with tolling. These projects should be advanced in conjunction with development of strategies to address the identified mitigation priorities.

We are seeking a response from FHWA that clarifies and confirms our approach and direction as we advance our work. In particular, Section 1 of this report seeks response regarding: 1) eligibility and other requirements under federal tolling programs; 2) required project refinement and analysis to obtain a classification determination under the National Environmental Policy Act (NEPA); and, 3) the anticipated timeline and opportunities to streamline review under NEPA.

The OTC is the designated tolling authority for the State of Oregon. With that authority comes the responsibility to take actions that preserve our investments and improve mobility for a broad cross section of our community. For that reason, we want to emphasize that our work will continue to be guided by principles of equity and fairness, transparency, partnership, improved mobility, and stewardship.

The pressures we face will only grow with time. For this reason, it is our hope to identify any avenue for efficiency and expedience during project development. We know that Oregon's success depends on a continued partnership with FHWA.

We look forward to hearing from and working with FHWA as we continue this effort.

Sincerely,

A handwritten signature in black ink, appearing to read "Tammy Baney".

Tammy Baney, Chair
Oregon Transportation Commission

A handwritten signature in blue ink, appearing to read "Matthew Garrett".

Matthew Garrett, Director
Oregon Department of Transportation



TINA KOTEK
GOVERNOR

May 4, 2023

President Rob Wagner
900 Court Street NE, S-201
Salem, Oregon 97301

Speaker Dan Rayfield
900 Court Street NE, H-271
Salem, Oregon 97301

Co-Chair Lew Frederick
900 Court Street NE, S-419
Salem, Oregon 97301

Co-Chair Susan McLain
900 Court Street NE, H-493
Salem, Oregon 97301

Dear President Wagner, Speaker Rayfield, Co-Chair Frederick, and Co-Chair McLain,

Thank you for sharing your plans to establish a Special Subcommittee on Transportation Planning of the Joint Committee on Transportation. I appreciate your partnership in providing a sustainable, safe, and robust transportation system that supports the needs of all Oregonians.

Since taking office, I have heard consistently from stakeholders and residents that they need to understand more of the impacts and tradeoffs of tolling I-205 and I-5 before these tolls take effect. While tolling must remain a critical component of how our state moves forward with funding transportation infrastructure, I see value in taking the time necessary to ensure we are doing it right. To that end, I have directed the Oregon Department of Transportation to delay all toll collection until January 1, 2026.

This revised start date will allow time for my office, the Oregon Transportation Commission, and the legislative Subcommittee on Transportation Planning to receive more information on the agency's plans to mitigate diversion and address equity concerns. Specifically, I have asked for implementation reports to be delivered to my office for review by December 15, 2023.

House Bill 2017 (2017) and House Bill 3055 (2021) affirmed tolling as a critical funding source for many of the state's largest projects. Therefore, today's announcement will impact the overall financing plan for the state's Urban Mobility Strategy, and major projects will need to immediately adjust their schedules to align with the availability of resources. To inform next steps, I have asked Director Strickler to provide me with updated finance plans for projects within ODOT's Urban Mobility Strategy by July 1, 2023.

254 STATE CAPITOL, SALEM OR 97301-4047 (503) 378-3111 FAX (503) 378-8970

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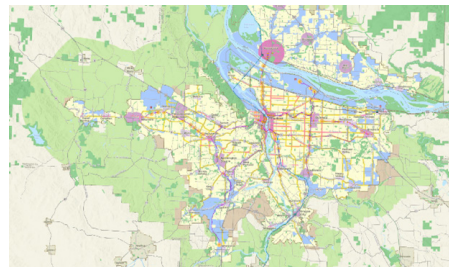
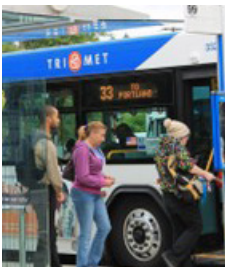
President Rob Wagner, Speaker Dan Rayfield
Co-Chair Lew Frederick, Co-Chair Susan McLain
May 4, 2023
Page 2

In closing, I want to recognize the many state employees who have been working tirelessly to meet the project expectations set forth by legislature in 2017. We will need their focus, commitment, and passion to meet the collective challenges ahead more than ever before.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Kotek". The signature is fluid and cursive, with the first name "Tina" and last name "Kotek" clearly distinguishable.

Governor Tina Kotek



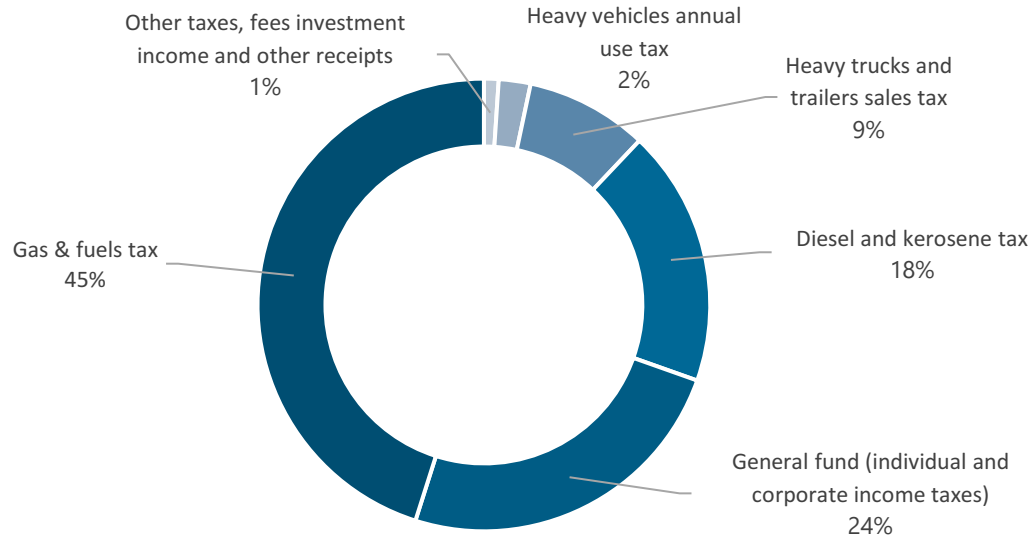
PUBLIC REVIEW DRAFT 2023 Regional Transportation Plan

*A blueprint for the future of transportation in
the greater Portland region*

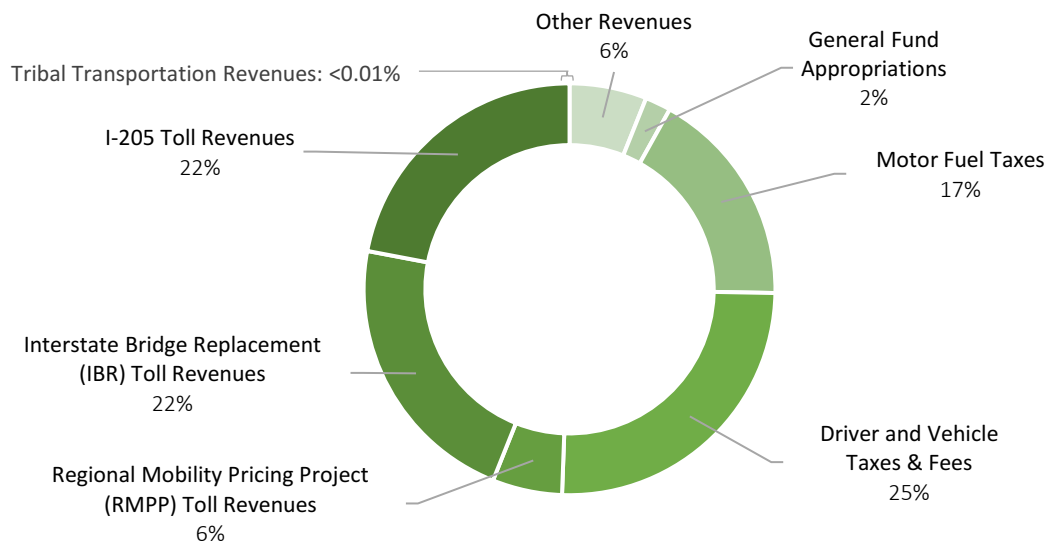
July 0, 2023

oregonmetro.gov/rtp

Adopted by Metro Council on November 30, 2023

Figure 5.4: Sources of Federal Transportation Revenue

State funds comprise 15 percent of the Regional Transportation Plan's financial plan. These revenues fund transit, roadway capital and maintenance projects. Figure 5.5 shows the breakdown of revenue sources collected at the state level that contribute to ODOT's budget.

Figure 5.5: Sources of State Transportation Revenue Funding the 2023 RTP

Approximately 49 percent of state transportation revenue is generated from toll revenues, most notably I-205 toll revenues (22 percent), Interstate Bridge Replacement (IBR) toll revenues (22 percent), and Regional Mobility Pricing Project (RMPP) toll revenues (6 percent). Non-tolling revenue sources are part of ODOT Region 1 revenues



Urban Mobility Strategy Finance Plan



JUNE 2023

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PURPOSE OF THIS FINANCE PLAN

On May 4, Governor Kotek directed ODOT to delay toll collection on I-205 and I-5 until January 1, 2026. In doing so, Governor Kotek reiterated that tolling would be a critical funding source for many of the projects in the state's Urban Mobility Strategy (UMS), and that moving tolling forward in Oregon must be equitable, include mitigation and must provide for congestion management. This direction came with the recognition that delaying toll collection would impact the overall UMS financing plan and that major projects will need to adjust their schedules to align with the availability of resources. As a result, Governor Kotek directed ODOT to provide her with an updated finance plan for the UMS by July 1, 2023.

ODOT developed the UMS in response to HB2017 and shifted focus to delivering projects in a more comprehensive manner. The associated funding strategies assumed in 2020 intended to provide significant mobility improvements by delivering a number of large-scale congestion relief projects on an accelerated schedule, with multiple projects moving toward delivery at the same time supported by multiple funding streams and several financing mechanisms to leverage these resources. In short, the project development and funding strategies assumed that several projects move at once and at their own pace, and financing of those projects should accommodate those differences in readiness, to maximize the purchasing power of the funding approved in HB2017. In 2021, HB3055 furthered this direction and provided for financing flexibility to the Urban Mobility Strategy as a whole, rather than a single project. This effort and strategy are the reason why Abernethy Bridge on I-205 is under construction.

Since the original development of the UMS, several key factors have changed and impacted the plan's costs and revenue sources.

The scope of various elements of projects have changed—particularly on the I-5 Rose Quarter Improvement Project, where a larger highway cover capable of supporting

taller buildings on top has been added and additional design refinements are underway.

Very high inflation in highway construction across the nation has driven project costs up significantly.

Delays in projects due to ongoing design refinements and environmental review, as well as delays due to lack of construction funding, have further exacerbated cost pressures.

The later start date for tolling has impacted this critical revenue stream, and the reliability of timing and yield for tolling revenues has diminished. This requires ODOT to revisit how much funding can be realistically assumed and bring forward more conservative financing strategies for the individual elements of the UMS.

This plan is designed to respond to Governor Kotek's direction and answer key questions about how to pay for the UMS projects in both the short and longterm. It describes how ODOT can bring available and potential funding sources to bear on delivering UMS projects. It lays out how much revenue ODOT can reasonably expect in the near future from House Bill 2017 funds and I-205 tolls to move projects forward to key milestones in the first phase of work under the UMS. It also looks out to the long-term at the total costs of the UMS projects and potential strategies to complete this work with additional funding sources, particularly when the Regional Mobility Pricing Project secures federal approval and toll collection begins.

THE URBAN MOBILITY STRATEGY

The Oregon Department of Transportation's Urban Mobility Strategy (UMS) is a comprehensive approach to make travel safer and more predictable in the Portland area by reducing traffic with tolls, addressing major highway bottlenecks, and making strategic multimodal transportation investments. The UMS consists of a suite of projects that have an intertwined finance plan that relies on the same funding sources. These projects include:

I-5 Rose Quarter Improvement Project will address one of the worst highway bottlenecks in the nation by adding an auxiliary lane on Interstate 5 that will connect I-84 and I-405 in both directions to reduce congestion and improve safety. The project will also improve multimodal connections across the freeway with the state's first highway cover, to reconnect the neighborhood separated and negatively impacted by the original construction of I-5.

I-205 Improvements Project includes three elements:

The I-205 Abernethy Bridge Project is constructing earthquake-ready upgrades to Abernethy Bridge, adding new lanes across the bridge, improving walking and biking around OR 43 and OR 99E, installing a sound wall, and improving the OR 43/OR 99E interchange;

I-205 Phase 2 Project includes the installation of a new travel lane between Stafford Road and the Abernethy Bridge, interchange improvements, bike and pedestrian improvements, and earthquake-ready improvements to nine other bridges along I-205;

I-205 Toll Project includes planning for and implementing tolling on I-205, including gantry construction and mitigation of toll traffic impacts.

I-5 Boone Bridge and Seismic Improvement Project will reduce congestion and address seismic resilience by replacing the bridge over the Willamette River in Wilsonville with an earthquake-ready structure that carries an additional southbound auxiliary lane and provides an option for bicyclists and pedestrians in the project area.

Regional Mobility Pricing Project (RMPP) will manage congestion and vehicle miles traveled on I-5 and I-205 in the Portland metropolitan region through congestion pricing using variable rate tolls, and generate revenue for transportation improvements.

Toll System Implementation Project will develop the on-road vehicle identification system, customer service center, and customer account management systems required to implement tolls in the Portland metro region and potential future locations.

Tolling on I-5 and I-205 will play a key role in delivering the projects within the UMS. Variable rate tolling—a form of congestion pricing that uses higher prices at peak hours to provide an incentive to travel at other times and by other modes—will help manage traffic, and tolls will also help raise money to pay for the improvements in the UMS.

The total preliminary cost estimate for these projects is approximately \$3.7 billion to \$4.35 billion. **Table 1** shows the estimated costs and expenditures for each UMS project.



Table 1: Estimated Total Project Costs and Expenditures

Project	Estimated Total Cost (\$M) (Construction Year)	Notes
I-5 Rose Quarter Improvement Project	\$1,500 – \$1,900 (2025)	Range reflects an updated preliminary cost estimate, including 3 highway cover design as approved by the OTC in 2021, under development in response to public comment on the Environmental Assessment, greater design and construction of the project's first two Early Work Packages with input from the public, an updated construction timeline and associated construction progression detail is provided in the "Completing UMS R
I-205 Improvements Project	\$1,290 – \$1,360	Includes all phases of construction and implementation and mitigation of toll traffic impacts.
I-205 Abernethy	\$662 (2022)	Includes environmental review and implementation of the Tualatin River Bridge.
I-205 Toll Project	\$80 – \$100 (2024)	Includes environmental review and implementation of the Tualatin River Bridge.
I-205 Phase 2	\$550 – \$600 (2025)	Cost estimate based on partial design work.
I-5 Boone Bridge	\$600 – \$725 (2030)	Range reflects the limited analysis of project scope and the planning process.
Regional Mobility Pricing Project	\$200 – \$250 (2025)	Early estimated cost range prior to completing environmental review. A specific estimate will be determined once ODOT selects a technology to analyze in the environmental review process. Different varying capital costs depending on the number of gantries and technology that must be included.
Toll System Implementation	\$115 (2024)	Includes implementation of commercial back office and ongoing operations costs not included.
Total	\$3,705 – \$4,350	

Notes:

Estimated Total Cost reflects costs for all project phases, including environmental review, design, right of way acquisition, cost of inflation to the estimated year of construction, and the cost of construction.

Construction Year reflects the currently planned start of construction. Delays to this construction year due to lack of construction funding or other factors will lead to higher costs. (See **Tables 6 and 8** for additional details.)

Expenditures To Date includes confirmed expenditures through April 2023 and estimated expenditures through June 2023.



URBAN MOBILITY STRATEGY FUNDING SOURCES AND FINANCING MECHANISMS

FUNDING SOURCES

The Urban Mobility Strategy relies on three funding sources.

HB 2017 funds: In HB 2017 the Legislature provided \$30 million annually for the I-5 Rose Quarter beginning in 2022; in 2021 HB 3055 allowed ODOT to use these funds to stand up tolling and contribute to I-205 and Boone Bridge, in addition to the Rose Quarter. These funds can be used both as a direct cash contribution to projects and as a repayment source for bonds. ODOT estimates HB 2017 will provide a total of \$560 million in total cash and bond proceeds.

Toll revenue: Tolls on the Interstates under the I-205 Toll Project and Regional Mobility Pricing Project (RMPP) will generate revenues that can be leveraged using financing tools.

Other federal, state and local funds: The UMS projects have already secured a variety of other federal, state and local funds. These could be supplemented by federal competitive grants provided under the Infrastructure Investment and Jobs Act (IIJA) such as the INFRA and Reconnecting Communities Pilot programs. To date \$157 million in other funds have been made available.

FINANCING MECHANISMS

ODOT plans to use a variety of financing mechanisms to leverage these funding sources into upfront cash needed to construct the UMS projects.

Highway User Tax Revenue (HUTR) Bonds: ODOT regularly issues bonds backed by the State Highway Fund to leverage gas tax and other revenue streams for projects. ODOT has already issued \$240 million in HUTR bonds against the \$30 million annual revenue stream for the UMS provided by HB 2017. ODOT plans to issue the second half of the UMS bonds in 2025.

Toll-backed financing: ODOT will use a variety of financing mechanisms backed by tolling.

- *Federal TIFIA loans:* The federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program offers loans with low interest rates and favorable financing terms, including lower coverage ratios and longer repayment dates. ODOT will likely utilize TIFIA to generate more resources from tolls.
 - *Toll-backed bonds:* ODOT may issue bonds to be repaid by toll revenue.
 - *Short-term borrowing:* ODOT has worked with the Oregon Treasury to create a \$500 million short-term borrowing program that uses commercial paper to provide interim financing, particularly for I-205 construction, prior to the beginning of toll collection on I-205. These short-term loans will be repaid after ODOT secures long-term toll financing from tolls on I-205.
-

AVAILABLE RESOURCES

With toll collection beginning after January 1, 2026 as directed by Governor Kotek, ODOT will need to shift more of the available HB 2017 resources to I-205 to fully fund construction of the Abernethy Bridge and cover the project's cash flow needs. ODOT will need to avoid over-committing to additional project work to avoid running out of cash prior to long-term toll-backed financing – a TIFIA loan or toll-backed bonds – coming available in 2027. This will require the indefinite postponement of the I-205 Improvements Project Phase 2. With the I-205 Improvements Project Phase 2 on hold, ODOT will be unable to assess tolls on the Tualatin River Bridges under federal law, which will reduce available resources. ODOT will also need to add soil stabilization work to make the Abernethy Bridge earthquake ready that was deferred from the first phase.

Table 2 reflects estimated total funding by source.

Table 2: UMS Funding Sources

Source	Description	Amount Pre-Delay (\$M)	Amount Post-Delay (\$M)	Restrictions/Other Constraints
HB 2017/HB 3055	Total proceeds (cash and bonds) from \$30M/year of State Highway Funds dedicated to UMS projects under ORS 367.095 (2)(a)(A).	\$560	\$560	Funds can only be used to fund the I-205 Quarter Improvement Project; I-5 Boone Bridge Program under ORS 383.
I-205 Toll-Backed Financing	Debt issued against future toll revenues from the I-205 Toll Project.	\$700	\$385	Subject to restrictions under (23 USC 129) and Article VII of the Oregon Constitution (the highway trust funds).
Other Federal/State/Local	Other funds allocated to the UMS projects by OTC and local governments.	\$157	\$157	Funds must be used for the purposes they were allocated.
Total		\$1,417	\$1,102	

Assumptions:

HB 2017: Total resources available through bonding will depend on interest rates – higher interest rates than currently projected would reduce bond proceeds—and other market conditions. Until debt service on the second bond issuance starts in 2025, ODOT will use a portion of the \$30 million allocation as cash; delaying the bond sale and debt service payments increases the total amount of cash and bond proceeds available.

I-205 Toll-Backed Financing: Proceeds are based on the [Level 2 traffic and revenue analysis undertaken on the I-205 corridor](#), which also included tolls on the Tualatin River Bridges; a new Level 2 analysis will need to be undertaken on tolling only the Abernethy Bridge to verify the assumed amount. In that process, ODOT will explore multiple tolling scenarios with partners in the region, including a toll schedule based on the option modeled in the Level 2 analysis; a flatter toll schedule to limit financial impacts to those commuting at peak hours; a congestion pricing scenario that examines to what extent pricing alone can reduce congestion on the corridor; and a scenario with a higher revenue target. Total resources from tolling will vary based on the final toll rate structure approved by the OTC as well as financing terms and conditions, including interest rates and coverage ratios, as well as whether ODOT is able to access a TIFIA loan from the federal government.

RMPP: ODOT has not yet completed a Level 2 traffic and revenue analysis for the RMPP because the agency is working with the region to determine the proposed rate structure and potential toll rates to be analyzed in the environmental review process. As a result this finance plan does not include RMPP revenues.

URBAN MOBILITY STRATEGY PHASING

ODOT has planned to approach the UMS as a long-term program of projects spanning more than a decade. This phased approach aligns with the financial realities, as sufficient funding to pay for the entirety of the projects is not available in the near future. The first phase of the UMS laid out in this finance plan assumes and recommends that ODOT focus these resources on:

- Completing the earthquake-ready Abernethy Bridge component of the I-205 Improvements Project and implementing tolling on the bridge;

- Advancing design work for the I-5 Rose Quarter Improvement Project, including completing design for Early Work Packages, initial design of the highway cover and central project area (known as the Main Construction Package), and updating the project cost estimates to reflect the advanced design;

- Undertaking early planning work on the I-5 Boone Bridge and Seismic Improvement Project;

- Completing environmental review and advancing design of the Regional Mobility Pricing Project (RMPP);

- Establishing the back office and customer service systems for an operational toll program.

This phase will get projects to a sufficient level of readiness that they can move forward in the future when additional funding is available beyond the currently available resources, which could include additional state funding, federal discretionary grants, or RMPP toll revenue.

Given the resources that will be available prior to collecting tolls under the RMPP, ODOT will be constrained to spending about \$1.1 billion on the initial implementation

of the UMS. ODOT proposes making the following funding available for each project to complete appropriate phases, as shown in **Table 3**. With the exception of I-205, which will need additional funds programmed in the Statewide Transportation Improvement Program (STIP) to complete the Abernethy Bridge and implementation of tolls, all amounts are within the amounts already approved by the Oregon Transportation Commission in the STIP.

These allocations total about \$1.1 billion, leaving little funding in reserve. This creates a risk that ODOT will have to return to the Commission for additional resources from other sources if costs come in higher than anticipated or revenues come in lower.



Table 3: Proposed UMS Funding and Outcomes Achieved

Project	Funding (\$M)	Spent to Date (\$M)	Description of Project Impacts
I-205 Abernethy Bridge	\$662	\$176*	ODOT will focus on completing the Abernethy Bridge project, which is currently under construction and planned to be completed in 2025, with tolling to begin in early 2026. Due to the indefinite postponement of Phase 2, completing the Abernethy Bridge project will require shifting \$50 million or more for soil stabilization on the Abernethy Bridge. ODOT is currently working on Phase 1, along with adding appropriate contingency.
I-205 Phase 2	\$0	\$0	I-205 Phase 2 will be indefinitely postponed.
I-205 Tolling	\$84	\$10	Tolling on I-205 will move forward only at the Abernethy Bridge in early 2026. Indefinite postponement of Phase 2 will delay the River Bridge toll gantries as part of the I-205 toll project.
I-5 Rose Quarter Improvement Project	\$158	\$114	ODOT will complete design of the three Early Work Packages and the Main Construction Package by mid 2025, including updating the cost estimate to reflect the advanced design and outcomes of the environmental review. However, funding for the Rose Quarter is constrained due to the shift in funding to I-205 allowed by HB 3055. Funding is not available for right of way acquisition; absent additional investment, the project will not be able to start construction when funding comes available.
I-5 Boone Bridge	\$4	\$1	Funding is available through preliminary planning; funding for environmental review and construction is not available so work will stop after completion of preliminary planning. Preliminary planning will be complete by early 2025.
RMPP	\$64	\$32	Environmental review and design will continue as planned, expected to be complete by early 2025, allowing final design and construction to begin after work on the I-205 project begins as early as late 2026. Construction to be funded through the I-205 project.
Toll Systems Implementation	\$115	\$6	Work on back office and roadside systems will continue in order to support the I-205 in early 2026, followed by the Interstate Bridge and RMPP. The I-205 project will be funded through the I-205 project.
Total Cost	\$1,087	\$339	
Available Funding	\$1,102		

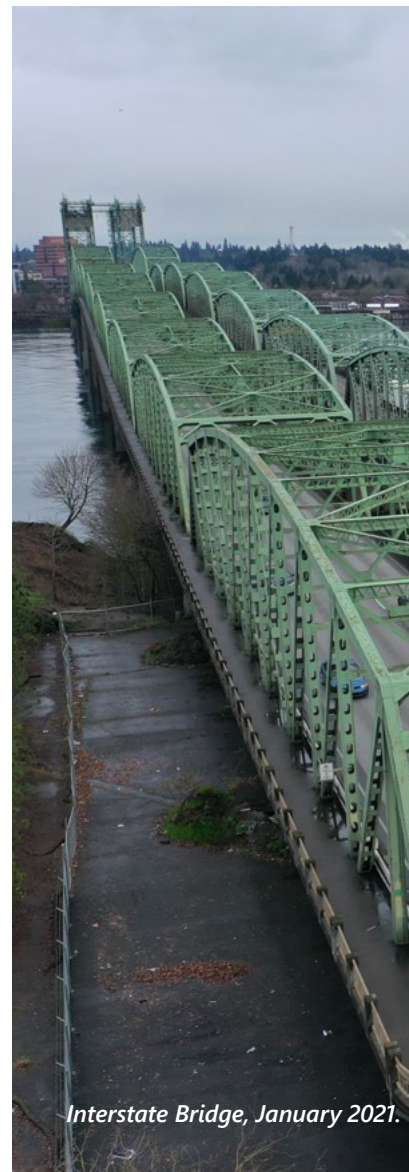
*Includes preliminary engineering costs for Phase 2.

IMPACTS TO INTERSTATE BRIDGE REPLACEMENT PROGRAM

The Interstate Bridge Replacement Program (IBR) is a separate project with a distinct finance plan and funding sources, including federal discretionary grants, tolls on the Interstate Bridge, and contributions from Oregon and Washington. Tolling could begin in the first half of 2026, after implementation of toll systems and the start of tolling on I-205. The IBR does not rely on funding from HB 2017, I-205 tolls, nor the Regional Mobility Pricing Project, so it will not be impacted by the changes in toll collection and use of HB 2017 funds laid out in this finance plan, unless implementation of tolling is further delayed or does not happen. If this is the case, WSDOT will have to levy tolls on the Interstate Bridge. Regardless of who operates tolling on the Interstate Bridge, toll rates will be set jointly by the Oregon Transportation Commission and Washington State Transportation Commission.

WHAT HAPPENS IF TOLLING ON I-205 DOESN'T HAPPEN

While this finance plan makes reasonable assumptions about revenue from tolls on the I-205 Abernethy Bridge, toll funding will not be available until ODOT completes additional steps, including environmental approval by the Federal Highway Administration and toll facility designation and rate setting by the Oregon Transportation Commission. If tolling does not occur for any reason, by the end of 2025 the costs incurred by ODOT for UMS projects—particularly construction of I-205 Abernethy Bridge, as well as I-5 Rose Quarter design and development of tolling—will use up all available HB 2017 funds and other resources available for UMS projects and require more than \$300 million in additional funding. The gap could be less if tolling is halted earlier and ODOT is able to slow or stop spending on various projects—particularly toll implementation.



Interstate Bridge, January 2021.

To cover this gap, ODOT would need to cut funding from projects included in the Statewide Transportation Improvement Program (STIP) to pay back short-term borrowing used to pay for the I-205 Abernethy Bridge project. Further delays of tolling could also cause significant challenges due to the need to match the timing of revenue to expenditures and stay within limits on short-term borrowing.

Table 4 summarizes the projected funding commitments through the end of 2025.

Table 4: Impact of Not Tolling I-205

Project	Projected Commitments Through End of 2025
I-205 Abernethy	\$662
I-205 Phase 2	\$0
I-205 Tolling	\$84
I-5 Rose Quarter	\$158
I-5 Boone Bridge	\$4
RMPP	\$64
Toll Systems	\$115
Total Expenditures	\$1,087
Available Resources*	\$717
Shortfall	\$370

**Includes HB 2017 and Other Federal/State/Local funds shown in Table 2: UMS Funding Sources.*



COMPLETING URBAN MOBILITY STRATEGY PROJECTS

After using available resources to advance the UMS projects, about \$2.6 billion to \$3.3 billion in total work will remain unfunded. While initial available funding is not sufficient to complete the UMS projects, ODOT is developing a long-term finance plan to secure the totality of funding needed to see the projects through to completion. Greater detail will be available after ODOT completes upcoming work, including:

- Additional analysis of I-205 toll scenarios and associated revenues in 2023, including a Level 2 traffic and revenue analysis, in the environmental review process;

- Analysis of potential RMPP options and toll frameworks in the environmental review process in 2023;

- Analysis of RMPP revenues in a Level 2 traffic and revenue analysis in 2024; and

- Ongoing refinement of project costs.

Potential funding sources for these projects include:

- RMPP toll revenue;

- Federal competitive grants, particularly the INFRA and Reconnecting Communities grant programs;

- Funding from a future state transportation funding package;

- Additional resources allocated by the Oregon Transportation Commission in the STIP.

COST OF CONSTRUCTION

ODOT, along with federal and industry partners, is tracking how the cost of construction is evolving, especially considering ongoing supply chain issues that are constraining market availability and pricing for labor and materials. The cost of construction will continue to affect the final construction costs for all UMS projects.

In recent years ODOT and other transportation agencies have experienced rapid construction cost escalation due to increased costs for labor and major construction commodities, among other factors. Since the first quarter of 2017, when ODOT first presented the I-5 Rose Quarter Improvement Project and I-205 Improvements Project cost estimates to the Oregon Legislature, the Federal Highway Administration National Highway Construction Cost Index has increased by 72%. Increases have been particularly sharp since 2020: from the fourth quarter of 2020 to the third quarter of 2022 (the last quarter for which data is available) highway construction costs went up 50%.

PROJECTS AND ADDITIONAL INVESTMENT NEEDS

I-5 Rose Quarter Improvement Project

ODOT will need additional funding beyond the \$158 million proposed in this finance plan to get the I-5 Rose Quarter Improvement Project ready for construction by completing the Main Construction Package design (advancing from 30% design to 100% design), buying right of way, and relocating utilities, as well as additional funding to construct the project.

In September 2021, the total project cost estimate was \$1.18 billion to \$1.45 billion. This initial cost range accounts for the scope changes with the Hybrid 3 design concept approved for design advancement by the Oregon Transportation Commission, including a longer and consolidated highway cover that is strengthened to support future development on top of the cover, providing increased local street connections over the cover, relocating the I-5 southbound off-ramp from Broadway to Wheeler, removing

the separated bicycle and pedestrian bridge at Clackamas, and widening the area for pedestrian and bicycle use along Broadway and Weidler. The cost range accounts for two highway development scenarios, with the lower range including a highway cover that supports building heights of one to three stories and the higher range including a highway cover that supports building heights of four to six stories.

At the time of this plan, ODOT has developed an updated total cost estimate of \$1.5 billion to \$1.9 billion for the full project. This updated cost estimate is based on advanced design for the project's first two Early Work Packages (A and B) and a preliminary design for the project's final Early Work Package (C) and Main Construction Package, which includes the highway cover and multimodal local street network. The increase in the updated cost estimate from September 2021 is a result of multiple factors:

- Additional project scope changes and associated construction material quantity increases;

- Enhanced design and constructibility understanding of the project's first two Early Work Packages based on construction manager/general contractor (CM/GC) input related to construction cost conditions;

- Inflation effects of delay, with an updated project construction schedule that delays the start of construction by two years (from 2023 to 2025); and

- Consideration of construction cost index increases and ongoing supply chain effects constraining market availability for labor and increased market pricing for materials (about 50% nationwide from 2020 – 2022).

Additional Project Scope Changes: ODOT is updating the project scope to incorporate design refinements in response to public comment received on the 2022 Supplemental Environmental Assessment. The responsive design refinements include two new structures over I-5, which increase material quantity for construction. The first is the reintegration of the separated pedestrian and bicycle bridge connecting the east and west sides of I-5 at NE Clackamas Street. The second is a new I-5 southbound off-ramp flyover structure at the Hybrid 3 relocated ramp location, to split the eastbound

and westbound traffic exiting I-5. Eastbound traffic would be routed over the new flyover structure over I-5, to connect to Weidler where the current I-5 northbound off-ramp is located. Westbound traffic would be routed to the intersection of Williams/Wheeler/Ramsay. The design refinements also consider several options for how the I-5 southbound off-ramp intersects with the local street system.

Enhanced Design and Constructibility Understanding: Since September 2021, the project's first two Early Work Packages (A and B) have progressed from 30% to nearly 90%, providing a better understanding of the design detail and constructibility to inform project cost. Input from the CM/GC contractor, as well as information from the 2022 Supplemental Environmental Assessment, have also supported the design detail and associated costing. As noted in the "Construction Cost" section above, increases in the cost estimate are also attributable to rising labor and material costs. With CM/GC contractor input, recent market conditions are considered in the updated cost estimate.

Inflation Effects of Delay: The project's construction schedule has also been delayed by two years. The 2021 cost estimate assumed construction starting in 2023, beginning with Early Work Packages. The Main Construction Package, inclusive of the Hybrid 3 highway cover design, was assumed to start in 2026. With incorporation of the recent design refinements described above, the start of construction was delayed to 2025 for the Early Work Packages and 2028 for the Main Construction Package, pending availability of construction funding.

Based on the updated cost estimate of \$1.5 billion to \$1.9 billion, ODOT will need approximately \$1.35 billion to \$1.75 billion in additional funding to complete the project design and construction.

Table 5 shows the additional investments needed (beyond the funding identified in Table 3) to complete design and right of way acquisitions and utility relocations to ready the project for construction, as well as to complete project construction. An additional \$100 million to \$140 million is needed to ready the project for construction, while an additional \$1.25 to \$1.6 billion is needed to complete construction of all work packages.

Table 5: I-5 Rose Quarter Improvement Project – Additional Investments

Element	Cost (\$M)	Notes
Additional Investments Needed to Ready for Construction		
Finalize design	\$40 – \$60	Funding would complete all work needed to get the project ready for construction. Funding is currently available to complete design for the Early Work Packages and advance Main Construction Package design. Right of way and utility work could be complete by 2025 if funding is available.
Right of Way and Utilities	\$60 – \$80	Purchase all property and complete utility relocations needed for the construction of Early Work Packages and Main Construction Package.
Additional Investments Needed to Ready for Construction		
Early Work Package Construction	\$300 – \$375	Early Work Package construction can move forward with funding being made available, but will have minimal congestion during construction of Main Construction Package.
Main Construction Package	\$950 – \$1,200	Includes significant improvements on I-5 and construction to reconnect Albina neighborhood. Can move forward as early as completion of design and availability of funding.

Cost estimating will continue throughout project design; refined cost estimates will be completed when finalizing the Early Work Package designs and advancing the Main Construction Package design.

Project delays significantly impact costs, as inflation increases the cost of construction and continues to do so over time. Table 6 summarizes the inflation impact, assuming a 3.5% annual inflation rate, for any additional delays to the start of construction of the I-5 Rose Quarter Improvement Project. This demonstrates the cost of delay due to inflation depending on the construction start year, independent of any other changes or factors.

Table 6: Cost of Inflation on I-5 Rose Quarter

Construction Year and Associated Total Project Cost Estimate (\$M)				
Project	2025	2026	2028	2030
<i>I-5 Rose Quarter</i>	\$1,500 – \$1,900	\$1,550 – \$1,975	\$1,650 – \$2,100	\$1,775 – \$2,250

Funding sources for remaining phases of the Rose Quarter could include:

Revenues from RMPP tolls, which have not yet been estimated as ODOT and the region have not yet determined the project's tolling framework;

Federal competitive grants such as INFRA and Reconnecting Communities. ODOT anticipates that these grants could provide \$100 million or more for the project. Reconnecting Communities funding could be critical to funding the project's highway cover. Securing federal grants will require identifying much of the project's funding so the federal funding can complete the project's construction funding;

Additional state funding; and

Funding from the STIP.

I-205 Phase 2

I-205 Phase 2, which includes bridge investments to make the corridor earthquake-ready as well as a third lane between Stafford Road and the Abernethy Bridge, is estimated to cost approximately \$550 million to \$600 million. Much of this cost could be covered by tolls on the I-205 Tualatin River Bridges or from RMPP toll revenue generated on the I-205 corridor. Funding could also be provided from future state and federal resources in the STIP, and ODOT could also seek federal competitive grant funding, such as an INFRA grant from US DOT.

After implementation of tolling on the Abernethy Bridge in 2026 and further analysis of traffic impacts from the RMPP, ODOT will assess the need, timing, and resources available for these improvements on the I-205 corridor. Additional environmental review and federal approvals are required for this phase.

Table 7 shows the additional investment needs for I-205 Phase 2.

Table 7: I-205 Phase 2 – Additional Investments

Element	Cost (\$M)	Notes
Tualatin River Bridges and Borland Bridge	\$125 – \$175	Replacing Tualatin River Bridges and Borland Bridge with the corridor earthquake ready (using interchange ramps). Could move forward independent of the additional lane available and environmental review is complete.
Full I-205 Phase 2 (additional lane and all bridges)	\$550 – \$600	Adds a missing third lane between Stafford Road interchange and the Willamette Bridge over the Willamette to provide significant safety and congestion relief. Includes replacement of Tualatin River bridges and upgrades to a total of nine bridges to make the corridor earthquake ready. Requires completion of environmental review.

The cost estimate for full I-205 Phase 2 shown in **Table 7** is based on a construction start in 2025. **Table 8** summarizes the cost of inflation with delay to the I-205 Phase 2 construction start, reflecting the cost of inflation alone and absent any other changes or factors.

Table 8: Cost of Inflation on I-205 Phase 2 (Full Project)

Construction Year and Associated Total Project Cost Estimate (\$M)				
Project	2025	2026	2028	2030
I-205 Phase 2 (Full Project)	\$550 – \$600	\$570 – \$620	\$610 – \$670	\$650 – \$715

I-5 Boone Bridge and Seismic Improvement Project

The I-5 Boone Bridge and Seismic Improvement Project is early in the project development process, having only recently started preliminary planning work. It is the UMS project farthest from construction, with a projected construction start date of 2030. Funding may be available in the future from RMPP toll revenues, future state contributions, funding in the STIP, and federal grants such as INFRA. ODOT does not plan to begin environmental review and design until greater clarity on funding opportunities for the project is available after the RMPP Level 2 traffic and revenue analysis is complete.

Table 9 shows the additional investments needs for I-5 Boone Bridge.

Table 9: I-5 Boone Bridge – Additional Investments

Element	Cost (\$M)	Notes
Environmental review and design	\$50	Will complete environmental review and design to get the project into construction.
Construction	\$545 – \$670	Estimate will be refined through environmental review and design.

Regional Mobility Pricing Project (RMPP)

The RMPP's costs are expected to be covered from the tolls collected on the project. ODOT will gain insight into projected funding from RMPP after completion of a Level 2 traffic and revenue analysis in 2024. **Table 10** shows the additional investment needs for RMPP.

Table 10: Regional Mobility Pricing Project – Additional Investments

Element	Cost (\$M)	Notes
Final design and construction	\$140 – \$190	Construction costs will depend on decisions made through the design review process, including the number of gantries and other infrastructure. The current schedule shows toll collection could begin about 18 months after final design are complete.

Oregon Toll Program

Implementation Report:

Equitable Toll Program Development Plan and Diversion Management and Mitigation Plan

December 15, 2023



Implementation Report: Equitable Toll Program Development Plan and Diversion Management and Mitigation Plan

December 15, 2023

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On May 4, 2023, in response to concerns raised by elected officials and regional residents, **Governor Kotek directed the Oregon Department of Transportation (ODOT) to delay toll collection on I-5 and I-205 until January 1, 2026.**

Specific issues were documented in letters from Portland metro area legislators, elected officials, advisory committee meetings, and community feedback, including:

- Questions on whether tolls should be considered to address interstate congestion, and a specific concern with all-lane and all-hour tolls.
- Dissatisfaction with timely sharing of information.
- Disagreement on the modeled and anticipated effects of the toll system, both beneficial and adverse.
- Concern with potential disproportionate impact on certain communities, specifically those located in Clackamas County, as well as those who have been historically marginalized.
- Desire for meaningful process to incorporate feedback from impacted communities.
- Lack of toll-free and multimodal travel options in some of the toll corridors.
- Need for more concrete information on the amount of toll revenue available and how it will be invested.
- Request that ODOT share and/or allocate toll revenue with local jurisdictions to invest locally in the transportation system.
- Disagreement with the implementation sequence for toll projects.

The delay to toll collection has provided ODOT more time to develop a toll program that works for Oregonians and the communities in the Portland metro area.

This **Oregon Toll Program Implementation Report** documents the status of the agency's plans to address equity concerns and minimize traffic diversion to local roads. This report provides a snapshot in time for where we are today, including a sequenced outline of the decisions and milestones we are working toward. If new information becomes available, we may change our approach and adapt to the new path forward, together.

1 Introduction

Oregonians deserve a safe and reliable transportation system.

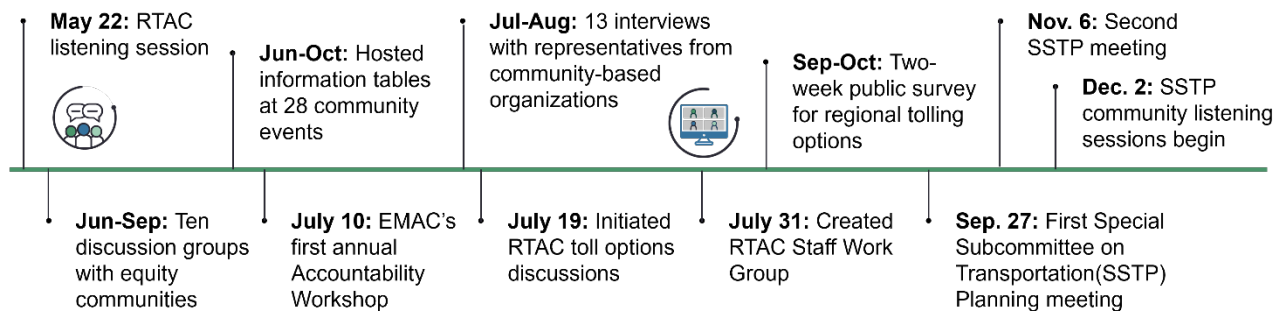
The Oregon Department of Transportation (ODOT) is implementing tolls, as directed by the Oregon Legislature in 2017 and reaffirmed in 2021, to equip the Portland metro area with a congestion management tool and to provide a source of sustainable revenue to invest back into the multimodal transportation system.

Since tolling discussions for the Portland metro area began in 2017, with the [Value Pricing Feasibility Analysis](#), there have been questions and concerns about how it would work for our communities. Two of the primary concerns we hear about are (1) **equity** and impacts to low-income individuals and (2) **diversion**, a term used to describe traffic rerouting to avoid tolls.

We welcomed the Governor's direction to delay toll collection to 2026, as it gives us more time to address these questions and concerns as we develop the Oregon Toll Program and projects. With the delay, we have more time to listen and work with our partners and the community to make sure the program we develop addresses not only the needs of ODOT, but also those of our partner agencies and the communities near highways where tolls are collected. The updated timeline for toll collection has given us the opportunity to strengthen our engagement efforts.



Immediate actions taken to deepen engagement after tolling implementation delay announcement.



This Implementation Report details how and when partners and the public will be engaged to help inform the important decisions ahead.

Moving forward, we will continue to work with our agency, community, and business partners, tribal governments, and the broader public. There are many decisions to be made that will shape Oregon Toll Program policies, rates, and design. Currently, both Oregon Toll Program toll projects are in the federal environmental review phase, during which we analyze the benefits and adverse effects of the toll projects relative to “no tolling” scenarios. During environmental review, the design of the projects is also progressing, including toll gantry placement and toll gantry acquisition. We are also contracting for the back-office, roadside, and customer service to establish the toll systems necessary for toll collection and operations. Once a federal decision is made based on the environmental review, we will continue forward with design and begin construction.

1.1 Portland Metro Area Tolls

Tolling is part of ODOT's long-term strategy to help pay for transportation improvements and provide faster, more efficient trips through the Portland metro area. The Oregon Toll Program consists of two toll projects in development: the **I-205 Toll Project** and the **Regional Mobility Pricing Project**. Toll revenues from the Oregon Toll Program projects will help fund transportation projects in the Portland metro area and maintain and improve our region's multimodal transportation system. The **Interstate Bridge Replacement Program** is also proposing tolls as a funding source and tool for congestion management.

Oregon Toll Program

I-205 Toll Project

The [I-205 Toll Project](#) will implement a point toll at the Abernethy Bridge, which spans the Willamette River between Oregon City and West Linn. Toll revenue will help repay a portion of the construction costs to make the I-205 [Abernethy Bridge earthquake ready](#). Tolls will also help manage congestion and raise revenue for other roadway and multimodal projects.

Regional Mobility Pricing Project

The [Regional Mobility Pricing Project \(RMPP\)](#) will toll I-5 and I-205 in the Portland metro area to provide faster, more efficient trips and to help pay for transportation improvements. This toll project is studying tolls on I-5 between the Columbia River and the Boone Bridge in Wilsonville, and on I-205 from the Columbia River to where I-205 intersects with I-5 in Tualatin.

Interstate Bridge Replacement Program

The [Interstate Bridge Replacement \(IBR\)](#) program is co-led by the Oregon and Washington departments of transportation. The program will replace the I-5 bridges over the Columbia River and North Portland Harbor Bridge with seismically sound bridges; enhance high-capacity transit options across the Columbia River; and improve safety, traffic flow, and active transportation facilities.

Tolls will generate revenue to help fund construction and facility operations and maintenance, as well as manage demand and improve mobility through the corridor. Due to the bi-state nature of the IBR program, toll rates and policies may be different from the other projects within the Oregon Toll Program.

Toll Projects in the Portland Metro Area



For the purposes of this Implementation Report, we focus only on the Oregon Toll Program.

1.2 Why Tolling: Goals for the Region

*For over six years, we have been working to implement tolls on I-5 and I-205 in the Portland metro area to help achieve two goals: **manage traffic congestion** and **generate sustainable revenue** for multimodal transportation improvements. While individual toll projects may emphasize one goal over the other, all toll projects delivered through the Oregon Toll Program share these fundamental objectives.*

Manage Traffic Congestion

Doing nothing does not improve travel or help us meet our goal of reducing total vehicle miles traveled. Traffic diversion onto non-interstate systems in local communities occurs today and will continue to worsen in severity, occurring more often.

Congestion in the Portland metro area impacts statewide economic competitiveness, the safety of travelers, and the day-to-day lives of Oregonians. Pre-pandemic, our region experienced about [11.5 hours of congestion](#) on an average weekday – this travel delay cost about \$1.2 million per day. Today, traffic on I-5 and I-205 is [nearly back to pre-pandemic levels](#) in terms of travel speed and trip time. Even as the rate of population growth declines, the Portland metro area can expect increasingly strained roadways and gridlock, resulting in more travel delay, unsafe travel conditions, and continued economic losses for the region and the state. We know that we cannot address traffic congestion by adding more interstate lane miles alone.¹ Congestion pricing will ease traffic flow at the worst times of the day, reducing interstate bottlenecks and stop-and-go traffic while providing travelers with a safer, more predictable trip.

Congestion pricing is a type of toll.

It charges higher fees during congested travel times and a lower fee at other times.

Travelers can make informed travel choices:

- *Pay the fee and receive a reliable trip on the tolled interstates.*
- *Take an earlier or later trip to avoid rush hours, if able.*
- *Choose another route that may take longer.*
- *Choose to take a bus, bicycle, or carpool instead of driving alone.*
- *Not take the trip at all (such as working from home) or combine multiple trips into one.*

Even if only 5% of travelers on a congested roadway make a change, traffic flow will improve.

(U.S. Department of Transportation, 2022.)

Generate Sustainable Revenue

The costs of transportation construction and ongoing maintenance are increasing, and transportation funding is insufficient.

Our funding streams are falling short to cover the costs to maintain and improve our roadways. Projections show they will decline due to diminishing fuel tax revenue as vehicles become more fuel efficient, and because federal and state fuel taxes have not kept pace with inflation. This is happening while costs are increasing and the demand for systemwide multimodal investments is growing.

Oregon's Primary Transportation Funding Sources:

- *Fuel tax*
- *Motor carrier fees*
- *Vehicle registration fees*

The net cash balance of Oregon's State Highway Fund is projected to drop below \$0 this biennium.

¹ For details on this concept, see section 2.4.6.3 on [Induced Demand and Land Development](#). Federal Highway Administration.

To cover the costs of major projects in the Portland metro area, a statewide fuel tax increase would have to be significant and would require drivers statewide to fund major construction projects in the Portland region. Tolling ensures those who benefit most from the improvement, fund the improvement. To have a variety of funding sources, we continue to enhance and expand [OReGO](#), our voluntary road usage charging program, to serve more Oregonians. However, to significantly increase the number of enrollees in the program, and therefore raise significant revenue, the legislature would need to make enrollment mandatory for certain vehicles. In the absence of that action, the program will not generate adequate revenue to avoid tolling as a necessary supplement to address our revenue shortfalls.



To keep people moving and our system safe, we need to look at other funding streams, including tolling. Toll revenue will provide a new funding source that stays local* and helps our region thrive. (*ODOT, 2023c.)

1.3 Oregon Toll Program: How Did We Get Here?











































“Congestion in the Portland metro area is having a major impact on the economic vitality of all regions. It not only creates challenges for commuters and businesses in the metro area, but it is also making it difficult for producers across the state to move their goods into and through Portland in a predictable, reliable, and timely fashion.” – 2016 Transportation Vision Panel Report

Tolling became an active part of our statewide transportation discussions in 2016 and 2017, when the [2016 Transportation Vision Panel Report](#) to former Governor Kate Brown presented significant concern about the statewide economic impacts from congestion in the Portland metro area. State legislators recognized that Oregon needs new and different funding sources to make vital improvements to the transportation system for the safety and economic viability of the state. In 2017, [House Bill 2017](#) gave legislative direction to the Oregon Transportation Commission to seek federal approval by the end of 2018 to implement variable time-of-day tolling that would reduce traffic congestion. The following timeline graphic details decisions and milestones that have moved us forward in implementing the Oregon Toll Program since that initial legislative mandate.









Oregon Toll Program Past Decisions and Milestones

Year	Role	Decision or Milestone
2016		Transportation Vision Panel Report submitted to Governor Kate Brown
2017		Oregon Legislature passed House Bill 2017 , which directed the OTC to pursue value pricing (tolling) as a means of managing congestion on the interstates and providing funding for critical transportation investments
2018	F	Oregon successfully renewed its spot in the federal Value Pricing Pilot Program
	F O CW	ODOT created the Portland Region Value Pricing PAC to advise OTC in implementing House Bill 2017 , Section 120
	F OTC O P PA CW	ODOT's Value Pricing Feasibility Analysis determined tolls on I-5 and I-205 in the Portland Metropolitan area are feasible to manage congestion
	F O CW	PAC recommended moving forward toll projects on I-5 and I-205 and advanced three priorities for mitigation strategies
2019	F	FHWA provided formal next steps and guidance to develop ODOT toll projects
2020	F P	OTC adopted a policy concept that toll revenue will be invested in the corridor in which tolls are collected
	F O P PA	ODOT initiated federal environmental review: I-205 Toll Project
	P PA	Environmental scoping public comment period: I-205 Toll Project
	O P PA	ODOT committed to studying regional tolling on I-5 and I-205 (RMPP) in response to public comments received during I-205 Toll Project scoping
	O CW	EMAC created the Oregon Toll Program equity framework to guide the toll projects
KEY  Decision-maker F FHWA O ODOT PA Partner Agencies  Informer OTC OTC P Public Input CW Committees/Workgroups <i>Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.</i>		

Oregon Toll Program Past Decisions and Milestones, continued

Year	Role	Decision or Milestone
2021	 	OTC adopted the Urban Mobility Strategy , which guides Portland Metro area toll investments
	 	OTC accepted EMAC's foundational statements to guide an equitable toll program and projects
	 	ODOT and FHWA initiated the federal Planning and Environment Linkages process: RMPP
		Oregon Legislature passed House Bill 3055 , which directed ODOT to establish a low-income toll program that is available on the first day of toll collection
2022	 	OTC accepted EMAC's Shaping an Equitable Toll Program: Recommendations
	  	ODOT initiated Adaptive Traffic Management Framework planning
	    	ODOT delivered the Low-Income Toll Report to the OTC and to the Oregon Legislature
	    	ODOT established the RTAC in response to partner comments received during I-205 Toll Project RTP amendment to advise the ODOT Director on regional toll projects
	    	ODOT completed the PEL process and initiated federal environmental review: RMPP
2023	   	OTC adopted the Oregon Highway Plan Tolling and Congestion Pricing Policy Amendment
		ODOT convened STRAC to advise on rules for customer accounts, rate setting, exceptions, and low-income toll program
		Governor Kotek delayed toll collection to after January 1, 2026
	 	EMAC and ODOT held Accountability Workshop #1 that confirmed a work plan for toll program challenges and opportunities
	 	Partner agencies identified potential toll-free multimodal travel options to complement toll projects
	  	ODOT developed draft toll rules informed by EMAC, STRAC, and equity-focused engagement
	 	OTC committed to delivering a benefit program for customers at or below 200% of the Federal Poverty Level
	 	STRAC finalized feedback on draft toll rules at its final meeting

KEY

 Decision-maker	 FHWA	 ODOT	 Partner Agencies
 Informer	 OTC	 Public Input	 Committees/Workgroups

Partner agencies include government agencies from Portland metro area cities, counties, ports. Transit agencies and districts, and metropolitan planning organizations.

ACRONYMS

EMAC	Equity and Mobility Advisory Committee	PEL	Planning and Environment Linkages
FHWA	Federal Highway Administration	RMPP	Regional Mobility Pricing Project
ODOT	Oregon Department of Transportation	RTP	Regional Transportation Plan
OTC	Oregon Transportation Commission	RTAC	Regional Toll Advisory Committee
OTP	Oregon Transportation Plan	STRAC	Statewide Toll Rulemaking Advisory Committee
PAC	Portland Region Value Pricing Policy Advisory Committee		

1.4 Collaborative and Informed Decision-Making

Developing and implementing regional tolling is a large and important endeavor. We look to our partners in local and regional government, community-based organizations, and the public to help guide us to make sure the Oregon Toll Program will reflect regional and state needs.

We have established or participate in a wide range of engagement channels and rely on the individuals at each table to provide critical input to inform the topics under their charge. These include:

- Three advisory committees, whose members represent various transportation users and communities that will be affected by tolling:
 - **Equity and Mobility Advisory Committee (EMAC); 2020 – present:** Members of this committee advocate for an equitable toll system that provides travel benefits while avoiding further harm to populations that have been historically and are currently underrepresented or underserved by transportation projects.
 - **Regional Toll Advisory Committee (RTAC); 2022 – present:** This group advises on specific toll program elements.
 - **Statewide Toll Rulemaking Advisory Committee (STRAC); 2023:** This committee provided feedback to inform the development of draft administrative rules for setting toll rates and customer interaction.
 - Toll project **Participating Agencies** and **Consulting Tribes** take formal roles reviewing and providing input on key documents as part of the federal environmental review process.
- **Joint Committee on Transportation Special Subcommittee on Transportation Planning** provides legislative review of major transportation projects, including the Oregon Toll Program.
- **Bi-state topic-specific workgroups and existing committees, commissions, and councils** provide input and guidance to shape the toll program and inform decision-making.
- **Community-based organizations** with whom we partner to inform and engage with communities that have historically not been involved or consulted by transportation agencies in major decisions. We are actively building long-term relationships with these organizations.
- **Members of the broader public**, whom we engage through public comment periods as required by federal law, in addition to other public engagement efforts such as information tables at community events, community presentations, and open houses. Beyond focused outreach periods, we always welcome feedback through channels such as email, voicemail, comment forms, and live comments at public committee meetings.

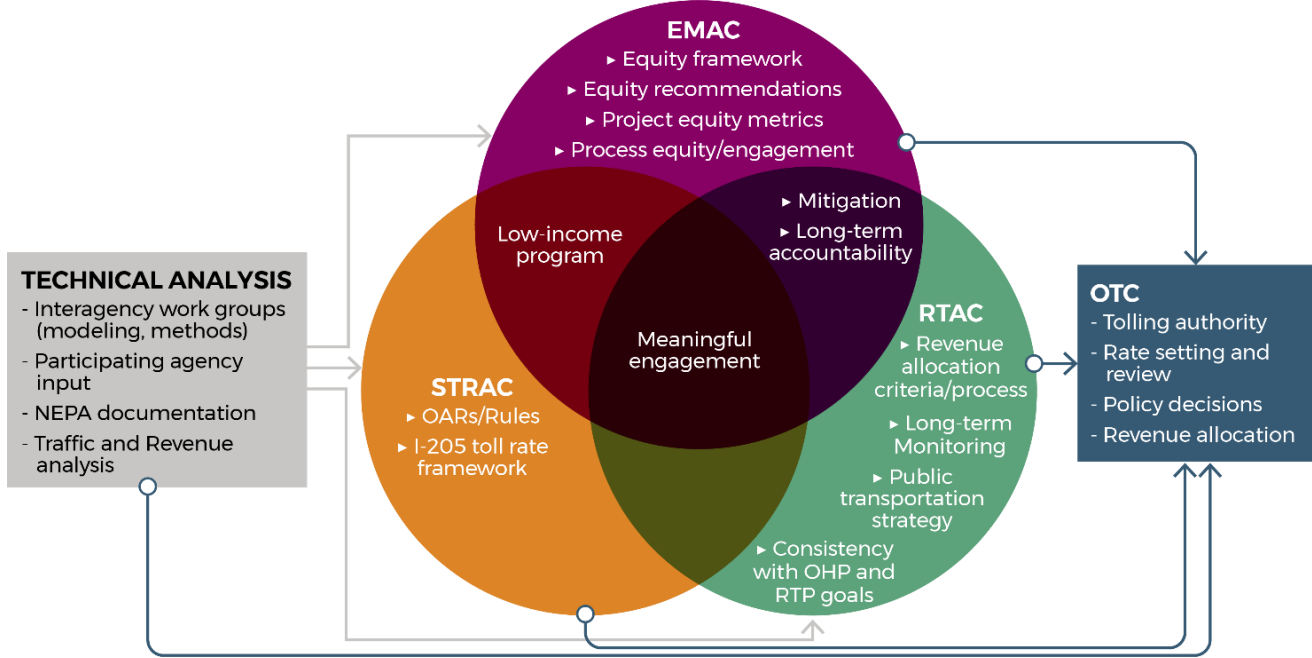
Tribal Consultation

Alongside the Federal Highway Administration, we maintain strong relationships with tribal governments through ongoing government-to-government consultation. Practicing government-to-government consultation respects the sovereignty of the individual federally recognized tribes and accounts for the preferences of each tribe. Consultation for the Oregon Toll Program and toll projects has been ongoing and will continue through the lifecycles of the projects.

Oregon is the first state in the nation to propose a toll exemption for tribes at this scale. Other states have recognized the federal preemption that results from specific treaty language; however, Oregon is seeking to provide an exemption as well as recognition for the preemptive treaty language. Through tribal consultation, we have drafted and revised draft rules for exempting tribal members from tolls, which were submitted to the Oregon Transportation Commission for review in 2023. Consultation with tribes will continue until the final rule language is adopted, and we will negotiate intergovernmental agreements with each tribal government through this process.

These engagement channels are used to ensure we are hearing from the entire regional community, including those who are often left behind or not typically engaged in transportation project implementation. The figure below helps show the interactive and robust way we are bringing people, jurisdictions, and interested parties to the table to help inform the Oregon Toll Program.

Oregon Toll Program technical analysis and engagement interactions.



The table that follows shows the Oregon Toll Program’s coordination and engagement timeline from 2020 through 2023, indicating the number of meetings held with various work groups and advisory committees, along with total numbers for public outreach efforts each year. To date, our engagement efforts have been robust, evolving as the projects evolved, adapting throughout the COVID-19 pandemic, and responding to regional conversations.

In 2021 and 2022, we were preparing the I-205 Toll Project Environmental Assessment and in the middle of the early planning phase for the Regional Mobility Pricing Project (RMPP). This work, along with developing the Low-Income Toll Report (2022) and I-205 initial traffic analysis results (2022), warranted more meetings and updates with regional partner agencies. In 2023, we shifted our engagement with local and regional governments through the formation of the Regional Toll Advisory Committee (RTAC) and the Public Transportation Strategy Workgroup, a group of public transit providers that worked with us to identify public transportation projects and supportive services that could complement the I-205 Toll Project and RMPP (more information in Section 3.3). Some of the briefings held in the past were replaced with collaborative work sessions. The number of committee or workgroup sessions held in 2023 increased over the 2020–2022 timeframe.

Finally, the number of public engagement events, discussion groups, and interviews in 2023 was the highest we have documented since the program began. This work is essential in helping us hear directly from community members and incorporating their feedback into our work. Looking ahead to 2024, we are planning to build on what we learned in 2023 and will continue direct outreach in the community with information tables at fairs and festivals, community presentations, webinars, and public hearings.

By the numbers: Oregon Toll Program coordination and engagement from 2020 through 2023

	2020	2021	2022	2023
Committee and Workgroup Meetings	<i>Number indicates total meetings held</i>			
Region 1 Area Commission on Transportation + Toll Workgroup	12			
Regional Partner Agency Staff	24			
Regional Modeling Group	11			
Transit and Multimodal Working Group	11			
RMPP Transportation Technical Report Workgroup			8	
Equity and Mobility Advisory Committee (EMAC)	27			
EMAC Subgroups (Subcommittees, Small Groups, Office Hours)		26		
Statewide Toll Rulemaking Advisory Committee (STRAC)			8	
Regional Toll Advisory Committee (RTAC)			10	
RTAC Staff (Office Hours, Staff Working Group)			12	
C4 I-205 Tolling Diversion Subcommittee		14		
Public Transportation Strategy Project Management Team + Workgroup				13
Public Outreach				
Public briefings and presentations	70	106	107	45
Events (tabling, webinars, workshops, in-person open houses, in-person listening sessions, public hearings)	4	3	34	44
Discussion and focus groups, stakeholder interviews	8	7	16	34
Survey responses	4,307	6,503	13,360	11,134
Communications received (emails, letters, voicemails, web comment forms)	322	803	3,362	2,811

1.5 How Will Oregon Toll Revenue Be Used?

Toll rates and net revenue allocation are top concerns for community members and regional jurisdictions.

Regional partners and community members frequently ask: How will toll revenue be used? For bridge tolls like those planned on the I-5 Interstate Bridge and the I-205 Abernethy Bridge, there is a direct connection between the construction improvements and the toll revenue that will help pay for them. For RMPP, which is not directly connected to a construction project, agency partners have requested that some net toll revenue be shared with or invested in local jurisdictions to help solve existing infrastructure deficiencies and future congestion problems caused by tolling. Given the rising costs of maintaining infrastructure and hours of congestion, the request is logical and expected.

To date, the lack of clarity around net toll revenue allocation with jurisdictions has increased frustration. The answer requires multiple analyses and decisions not yet completed.

Local agencies in the Portland metro area, including Southwest Washington, recently proposed more than 200 projects to address congestion and mobility challenges on local streets along I-5 and I-205. Toll revenue could generate millions of dollars annually to help address transportation funding shortfalls.² How much toll revenue will be available is currently unknown and we will not have an estimate until further traffic and revenue studies are complete for the individual toll projects. We do know that if toll rates are higher, there could be more revenue; however, higher toll rates would present a greater impact to families and communities and could cause more people to avoid the tolls by diverting to local roadways. We also know tolls are only one part of a funding solution and they will not fund all the needs in the region.

² ODOT is constitutionally prohibited from spending toll revenue out of state. According to the [Oregon Constitution Article IX Section 3a](#), all resources encumbered by the highway restriction, including "...any tax or excise levied on the ownership, operation or use of motor vehicles..." can only be used in Oregon.

Federal and State Laws Prescribe Eligible Uses of Toll Revenue

Federal law requires toll revenue to first pay for operations and maintenance of the tolled roadways and the toll program itself, as well as any debt service on bonds for the toll project. Oregon statute limits the uses of toll revenue to activities on tolled roads or roads adjacent to a toll project to address the impacts of the toll project, such as congestion, safety, or diversion. In January 2023, [Goal 6: Tolling and Congestion Pricing](#) of the Oregon Highway Plan was amended to establish criteria for and define “road pricing projects” inclusive of state and local needs (Policy 6.H)³ and define the use and hierarchy of toll revenue allocation (Policy 6.L).⁴

State Law Entrusts the Oregon Transportation Commission with Toll Decisions

As the tolling authority for the state, the Oregon Transportation Commission makes policy decisions for the use of toll revenue from state roads and highways. In this capacity, several recent decisions have been made after collaborating with advisors and the community (see box). In making toll rate and net revenue allocation decisions, the Oregon Transportation Commission will consider the primary purpose of the toll project, financial analysis, the requirement to pay debt service on any bonds issued for the toll project, and the need to fund mitigation from the project. Specific allocation decisions regarding the revenues from toll projects are made using an extensive public engagement process.

Gaining Clarity to Support Regional Conversations

In April 2022, the ODOT Director and the Metro Council President signed a memorandum of understanding to ensure “a strong local voice in decisions around the allocation of toll revenue and when and how local projects that address diversion impacts are funded.” This understanding was woven into the [charter for the Regional Toll Advisory Committee](#), which was finalized in early 2023. Since then, we have heard from senior staff at partner agencies that more specific information is needed early in the planning process on the amount of toll revenue that will be generated from regional tolling, how decisions will be made about its use, and whether ODOT will share a portion of the net toll revenue, either by funding local projects that complement tolling or some other method.

Toll Revenue Use: Decisions and Milestones

- ☒ *Toll revenue will be invested in the corridor in which they were collected.*
- ☒ *The Urban Mobility Strategy will guide Portland metro area toll investments.*
- ☒ *Low-income toll program will be available on the first day of toll collection.*
- ☒ *Oregon Highway Plan Tolling and Congestion Pricing Policy Amendment adopted.*
- ☐ *Begin net toll revenue allocation discussions.*
- ☐ *Final Level 2 Traffic and Revenue Analysis.*
- ☐ *Determine eligibility of a project to receive net toll revenue.*

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

We plan to begin the conversation with the Oregon Transportation Commission in early 2024. This will lead to a better understanding of financial tradeoffs and considerations associated with toll rate structures and further clarification on how net toll revenue will be spent. Before discussing with the Commission, we will continue to discuss net revenue allocation with the Regional Toll Advisory Committee to seek their input and feedback.

³ Policy 6.H provides an opportunity for the State and local agencies to define what is part of a tolling project. The policy describes that the project includes the physical infrastructure on the tolled facility, required mitigation elements from any NEPA process, and any other infrastructure elements that are directly related to implementation of tolling that are agreed to by the State and local agency. In defining the project, improvements must be located within the corridor being tolled and must fit within the financing plan for the project.

⁴ Policy 6.L clearly describes that revenue must be used first to operate a toll location and pay for the project, as well as long term maintenance of the project.

2 Equitable Toll Program Development Plan

The impact of tolls on low-income households is one of the primary concerns we have heard in our work with regional partners and through community outreach.

As we develop the Oregon Toll Program, it is our charge to center the voices of those typically less engaged, and oftentimes, more negatively impacted by transportation decisions. Understanding the tradeoffs for decisions that will affect historically and currently underrepresented and underserved communities will inform our recommendations as we narrow in on impactful policy decisions.

Equity Foundations

Equity is at the foundation of the Oregon Toll Program.

From the inception of the Oregon Toll Program, the Oregon Transportation Commission directed us to prioritize three equity and mobility strategies:

- Improve public transportation and other transportation options for equity and mobility.
- Develop and implement special provisions for historically and currently underrepresented and underserved communities, including low-income communities.
- Minimize and mitigate negative effects of traffic diversion to advance neighborhood health and safety.

Equity and Fairness

We recognize that agency partners and members of the public have expressed concerns about geographic fairness and the location and timing of toll project implementation. Guided by the [equity framework](#), we focus on populations and communities historically underrepresented and underserved by transportation projects who will be affected by toll system implementation, regardless of whether they drive on the tolled interstate. These populations include:

- *people experiencing low-income or economic disadvantages;*
- *Black, Indigenous, and people of color (BIPOC);*
- *Tribal governments (Federally Recognized Tribes);*
- *older adults and children;*
- *persons who speak non-English languages, especially those with limited English proficiency;*
- *persons living with a disability; and*
- *other populations and communities historically excluded and underserved by transportation projects.*

The Equity and Mobility Advisory Committee

In May 2020, we convened the [Equity and Mobility Advisory Committee](#) to ensure processes are established to deliver equitable outcomes for the toll program. This is a committee of individuals with professional or lived experience in equity and mobility. The Equity and Mobility Advisory Committee has provided clear and tactical guidance during its 28 committee and subcommittee meetings that have occurred to date.

To carry out its charge, the Equity and Mobility Advisory Committee developed an [equity framework](#) as well as [foundational statements](#). In July 2022, the Oregon Transportation Commission accepted the Equity and Mobility Advisory Committee's [Shaping an Equitable Toll Program: Recommendations to the Oregon Transportation Commission](#) and charged us with advancing the equity framework and recommendations through the delivery of the toll program and toll projects.



As we consider, shape, and adopt policy, and implement the toll program, we strive to avoid causing harm, with an aim to enhance benefits for historically excluded and underserved communities and individuals. The Equity and Mobility Advisory Committee holds us accountable to these commitments and will continue to provide strategic guidance at key milestones for the ongoing federal analysis and toll rulemaking processes.

2.1 Understanding Equity and the Needs of Our Communities

We are engaging our partners and the Portland metro area public as we develop the Oregon Toll Program, with the desire to reflect their input in the program.

We are committed to sharing information and engaging with historically and currently underrepresented and underserved communities early and often throughout the development of the Oregon Toll Program. We rely on several multilingual and community-specific **equitable engagement** strategies to ensure that robust and representative input is meaningfully incorporated into all phases of toll program development. For an example of these equitable engagement strategies, see the [I-205 Toll Project Environmental Assessment Public Engagement Activity and Comment Summary Report](#).



We're Listening: Shaping the Oregon Toll Program

We have received input from the Equity and Mobility Advisory Committee, Community Engagement Liaisons, and representatives from community-based organizations at key decision points. These inputs have directly [shaped toll project design and decision-making processes](#), including establishing a low-income toll program, convening regional partners to identify toll-free travel options and multimodal solutions, and conducting robust analyses to identify potential beneficial and adverse effects to [equity framework communities](#) in the federal environmental review processes. We engaged the Equity and Mobility Advisory Committee and local partners early in the design for the I-205 Toll Project and Regional Mobility Pricing Project, and their input was integrated into transportation analysis methodologies, including the approach to evaluating social impacts of the projects on local communities.

Ongoing equitable engagement efforts will directly inform the toll projects' federal environmental review processes, Adaptive Traffic Management Framework development, toll revenue usage, and mitigation for adverse effects from traffic diversion.

Equitable Engagement: Decisions and Milestones

- ☒ Creation of the Oregon Toll Program equity framework.
- ☒ Low-income toll program will be available on the first day of toll collection.
- ☒ EMAC Recommendations accepted by the Oregon Transportation Commission.
- ☒ Identified potential toll-free multimodal travel options to complement toll projects.
- ☐ Begin net toll revenue allocation discussions.
- ☐ Share project-level analysis to understand beneficial and adverse effects.
- ☐ Engage partner agencies on toll project mitigation development.
- ☐ Publish environmental review document for public comment period.
- ☐ Share draft Adaptive Traffic Management Framework for review.
- ☐ Receive federal environmental review decision.

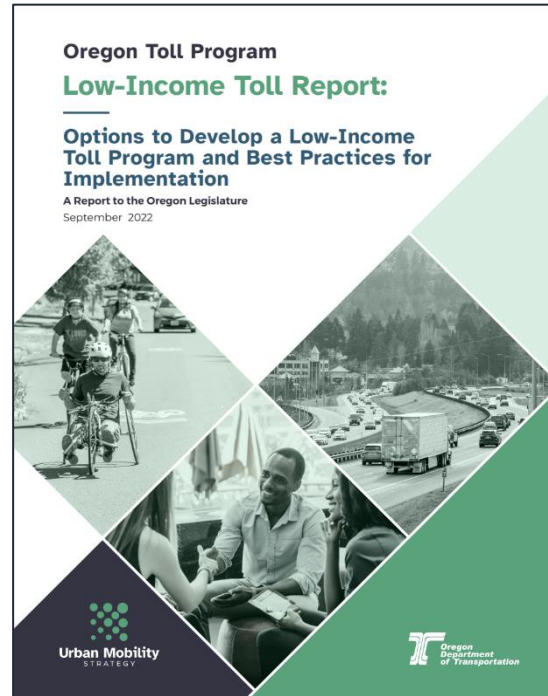
All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

2.2 Establishing a Low-Income Toll Program

There are more than 300 toll programs in the United States, but Oregon will be the first in the country to have a low-income toll program on day one of operations.

In 2021, through [House Bill 3055](#), the Oregon Legislature directed us to develop a **low-income toll program** to address adverse impacts of the Oregon Toll Program on low-income populations. This program is intended to serve travelers who are unable to change their travel schedules or who travel frequently on the interstates. Importantly, the program will balance impacts to other system users while still achieving overall program goals to reduce traffic congestion, raise revenue, and limit traffic diversion to local roads.

In September 2022, we delivered a [Low-Income Toll Report](#) to the Oregon Transportation Commission and the Oregon Legislature. Development of this report included robust public engagement and best practices research to explore options for an income-based benefit. The outcomes of this effort guide our approach to creating an equity-informed low-income toll program that will be operational on day one of toll collection.



We're Listening: Shaping the Oregon Toll Program

In December 2023, the Oregon Transportation Commission gave the following direction for the low-income toll program in response to partner, public, and committee feedback gathered throughout 2022 and 2023:

- **Provide at least a 50% discount on toll trips for customers with incomes at or below 200% of the Federal Poverty Level.** A discount of this size on all Oregon toll projects will provide substantial financial relief to low-income customers without significant impacts on toll revenue or congestion, according to traffic and revenue analyses. This is the common eligibility threshold for the handful of existing low-income toll programs across the country, but a more substantial discount than other programs provide.
- **Further analyze an additional benefit for customers above 200% of the Federal Poverty Level.** ODOT will study additional benefit levels for 10% and 25% discounts for people making up to 400% of the Federal Poverty Level. This analysis will be completed in 2025, allowing the Oregon Transportation Commission to decide whether to offer this benefit level. Implementation would likely take two to three years. No other toll agency offers a discount that extends to this income level, but it would lower the financial barrier for more people to travel on the tolled facilities and avoid a “benefit cliff” for those who make more than 200% of the Federal Poverty Level but still struggle with meeting basic needs.

2023 Federal Poverty Level (FPL) by family size

Family size	100% FPL	200% FPL	400% FPL
1	\$14,580	\$29,160	\$58,320
2	\$19,720	\$39,440	\$78,880
3	\$24,860	\$49,720	\$99,440
4	\$30,000	\$60,000	\$120,000
5	\$35,140	\$70,280	\$140,560
6	\$40,280	\$80,560	\$161,120
7	\$45,420	\$90,840	\$181,680
8	\$50,560	\$101,120	\$202,240

U.S. Department of Health and Human Services, 2023

- **Allow all customers in Oregon and Washington to participate in the low-income toll program.** Through conversations with future low-income toll customers as well as the Equity and Mobility Advisory Committee, we heard that Southwest Washington residents should be afforded the same benefits as Oregonians, given the many daily commuters from Washington to Oregon. When we looked to define geographic limits for the program, we determined there is no easy geographic cutoff. The Oregon Transportation Commission has committed to implementing a program that benefits residents statewide in both Washington and Oregon. This would be a much larger area than is covered by existing low-income toll programs, which are limited to a region, a local county, or specific neighborhoods.
- **Conduct robust outreach and marketing to expand awareness** of the toll program and enrollment in the low-income option. This may include contracting with community-based organizations on marketing and engagement. We will continue to meet regularly with community-based organizations and will collaborate closely to pursue agreements in mid-2024.
- **Leverage existing income-verification programs wherever possible**, such as the Oregon Department of Human Services' ONE Eligibility System and TriMet's Honored Citizen Hop card program. We are also exploring connections with the Oregon Department of Revenue to aid income verification.

We will continue our engagement with community and agency partners to implement the low-income toll program, including efforts to ensure robust enrollment among eligible travelers.

In the next few months, the decisions listed above will be formalized in toll rules and published for public comment in April 2024. The toll rules will outline requirements for future toll projects in the state. In pursuing a system to meet the bi-state impact of Portland area tolling, providing a discount across state lines will need further legal review.

Low-Income Toll Program: Decisions and Milestones

- ☒ *Low-income toll program will be available on the first day of toll collection.*
- ☒ *Oregon Transportation Commission committed to discount level for customers at or below 200% Federal Poverty Level.*
- ☐ *Adopt final toll rules.*
- ☐ *Determine final benefit levels and discounts.*
- ☐ *Contract with community-based organizations to support community education.*
- ☐ *Finalize income verification process and operational procedures.*

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.



2.3 Toll Rules for an Accessible and Equitable Toll Program

We are prioritizing equity as we develop the broader, foundational statewide toll rules for the Oregon Toll Program, which will be applicable to all future toll projects in the state.

In January 2023, we convened the [Statewide Toll Rulemaking Advisory Committee](#) (STRAC) to help develop [Oregon Administrative Rules](#) that will determine how customers interact with the toll system and how toll rates are set, adjusted, and monitored. With both the low-income toll program and broader rulemaking, equity is central to all development processes, including decisions that are not specific to people experiencing low incomes.

To inform how equity is considered and represented throughout toll rulemaking development, we solicited input from community-based organizations, community members, and the Equity and Mobility Advisory Committee (EMAC) throughout 2023, including through a joint EMAC-STRAC committee meeting on [July 21, 2023](#). Through these efforts, we collected input and delivered summaries during each Statewide Toll Rulemaking Advisory Committee meeting to deepen the committee members' understanding of equity community needs, and to directly shape the final commitments recommended for adoption by the Oregon Transportation Commission.

Toll Rulemaking – Equity Representation

Two equity community representatives served on the Statewide Toll Rulemaking Advisory Committee, one of whom is a current member of the Equity and Mobility Advisory Committee. We also launched a parallel and intersecting effort to incorporate voices from historically and currently underrepresented and underserved communities. This effort included a series of discussion groups in spring and summer 2023 with Community Engagement Liaisons and representatives from community-based organizations that serve these communities.

We're Listening: Shaping the Oregon Toll Program

Throughout development of the draft statewide toll rules, we worked to integrate input from equity framework communities, the Equity and Mobility Advisory Committee, and the Statewide Toll Rulemaking Advisory Committee. This input directly shaped key commitments to prioritize equity community needs, including developing an accessible, easy-to-use system; addressing concerns about data privacy, equitable enforcement, and ease of enrollment and payment; and committing to exemptions for critical safety, congestion, and equity needs. A [summary report](#) (pages 27-46) of the engagement that occurred during rulemaking development is available online.

In December 2023, the Statewide Toll Rulemaking Advisory Committee gave its final recommendations on the draft toll rules. The draft rules will be published for a public comment period in April 2024, during which we will conduct robust and equitable public engagement and specifically solicit input from historically and currently underrepresented and underserved communities. Their input, combined with a formal comment from the Equity and Mobility Advisory Committee and comments from the broader public, will directly inform the Oregon Transportation Commission's final decision on toll rules in June 2024. This process will be used to make future decisions about specific toll rates for each toll project, which will

Toll Rulemaking: Decisions and Milestones

- ☒ *Draft toll rules informed by equity-focused engagement, EMAC, and STRAC input.*
- ☒ *STRAC final input on draft toll rules.*
- ☐ *Hold public comment period for draft toll rules.*
- ☐ *Adopt final toll rules.*
- ☐ *Share Level 2 Traffic and Revenue Study results.*
- ☐ *Prepare Investment Grade Traffic and Revenue Analysis, if required.*
- ☐ *Set specific toll rates for each toll project.*

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

occur approximately six months before toll collection begins.

2.4 Long-Term Equity Commitments and Accountability

We plan to sustain our equity commitments by establishing and committing to a long-term monitoring and accountability process.

The Equity and Mobility Advisory Committee advocated for the establishment of a long-term accountability structure or process to ensure equitable outcomes after tolling begins, and the Oregon Transportation Commission directed us to establish such a system.

We're Listening: Shaping the Oregon Toll Program

Throughout 2023, members of the Equity and Mobility Advisory Committee provided strategic guidance for sustaining equity commitments, leading up to the inaugural **EMAC-ODOT Accountability Workshop** held on [July 10, 2023](#). During this workshop, we [demonstrated progress](#) towards the committee's toll program equity goals, and discussed challenges and opportunities to achieving shared equity goals.

We are committed to implementing the Equity and Mobility Advisory Committee's recommendations and showing our progress at meetings with the committee. We will also explore options for long-term accountability at future annual workshops:

- At the **second EMAC-ODOT Accountability Workshop, anticipated in July 2024**, we will engage the Equity and Mobility Advisory Committee in determining possible options for a long-term accountability process or structure that will be ready on day one of toll collection.
- At the **third EMAC-ODOT Accountability Workshop, anticipated in July 2025**, we will present the Equity and Mobility Advisory Committee with a long-term toll program accountability plan to ensure equity commitments are sustained in perpetuity.

Once toll collection begins, ODOT will begin to implement the accountability and oversight plan to ensure the equity commitments identified throughout the development of the Oregon Toll Program are sustained into the future.



Equity Commitments: Decisions and Milestones

- ☒ ***Accountability Workshop #1 – workplan for challenges and opportunities.***
- ☐ ***Accountability Workshop #2 – long-term accountability options.***
- ☐ ***Accountability Workshop #3 – long-term accountability plan.***
- ☐ ***Finalize and accept long-term equity monitoring and accountability plan.***
- ☐ ***Toll collection begins.***
- ☐ ***Initiate implementation of the long-term equity accountability plan.***

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.



2.5 Equitable Toll Program Development Plan: Sequence of Decisions and Milestones

The timeline that follows shows the year that key Oregon Toll Program decisions and milestones occurred or began through 2023. Looking forward, it provides a best-informed estimate of the sequence of future decisions and milestones. These are all generally presented at the earliest point in time that they may occur. The flow of the future decisions and milestones may shift as the Oregon Toll Program develops and the I-205 Toll Project and the RMPP progress through their planning phases.

Equitable Toll Program Development Plan: Sequence of Decisions and Milestones
































































Year	Role	Decision or Milestone
2017		Oregon Legislature passed House Bill 2017 , which directed the OTC to pursue value pricing (tolling) as a means of managing congestion on the interstates and providing funding for critical transportation investments
2018	F OTC O P PA CW	ODOT's Value Pricing Feasibility Analysis determined tolls on I-5 and I-205 in the Portland Metropolitan area are feasible to manage congestion
2019	F OTC	FHWA provided formal next steps and guidance to develop ODOT toll projects OTC directed formation of EMAC to ensure processes and projects are established to deliver equitable outcomes for the toll program
2020	O P PA O CW	ODOT committed to studying regional tolling on I-5 and I-205 (RMPP) in response to public comments received during I-205 Toll Project scoping EMAC created the Oregon Toll Program equity framework to guide the toll projects
2021	OTC O OTC CW	OTC adopted the Urban Mobility Strategy , which guides Portland Metro area toll investments OTC accepted EMAC's foundational statements to guide an equitable toll program and projects Oregon Legislature passed House Bill 3055 , which directed ODOT to establish a low-income toll program that is available on the first day of toll collection
2022	OTC CW OTC O P CW	OTC accepted EMAC's Shaping an Equitable Toll Program: Recommendations ODOT delivered the Low-Income Toll Report to the OTC and to the Oregon Legislature
2023	OTC O P PA O F O O CW O P CW O OTC O O CW	OTC adopted the Oregon Highway Plan Tolling and Congestion Pricing Policy Amendment ODOT convened STRAC to advise on rules for customer accounts, rate setting, exceptions, and low-income toll program ODOT and FHWA published the federal environmental review document: I-205 Toll Project Governor Kotek delayed toll collection to after January 1, 2026 EMAC and ODOT held Accountability Workshop #1 that confirmed a work plan for toll program challenges and opportunities ODOT developed draft toll rules informed by EMAC, STRAC, and equity-focused engagement ODOT initiated effort to prepare supplemental environmental review document: I-205 Toll Project OTC committed to delivering a benefit program for customers at or below 200% of the Federal Poverty Level STRAC finalized feedback on draft toll rules at its final meeting

KEY



 Decision-maker	 FHWA	 ODOT	 Partner Agencies
 Informer	 OTC	 Public Input	 Committees/Workgroups



Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

Equitable Toll Program Development Plan: Sequence of Decisions and Milestones, continued



Year	Role	Decision or Milestone
2024	 	ODOT publishes the draft toll rules for public comment on customer accounts, rate setting, exemptions, and low-income toll program
	 	EMAC provides formal comment on draft toll rules
	    	OTC begins net toll revenue allocation discussion
	     	ODOT begins to share environmental analysis to understand beneficial and adverse project effects: I-205 Toll Project
	  	ODOT shares findings on analysis of different rate structures and discusses trade-offs with OTC and RTAC: RMPP
	    	ODOT, with partner input, continues federal environmental review: RMPP
	   	ODOT and partner agencies identify potential traffic diversion mitigation: I-205 Toll Project
		ODOT shares findings from the Level 2 Traffic and Revenue Study: I-205 Toll Project
	  	Partner agencies work with ODOT to refine the complementary project lists with results from traffic analysis, effects on equity framework communities, and available funding
		OTC makes final decision on toll rules
	 	ODOT and FHWA publish the federal environmental review document: I-205 Toll Project
	  	Environmental review public comment period: I-205 Toll Project
	 	EMAC and ODOT hold Accountability Workshop #2 to discuss oversight options
	 	ODOT achieves federal environmental review decision: I-205 Toll Project
		Earliest gantry construction could begin: I-205 Toll Project
	     	ODOT begins to share environmental analysis to understand beneficial and adverse project effects: RMPP
	   	ODOT, FHWA, and partner agencies identify potential traffic diversion mitigation: RMPP
2025		OTC decides final benefit levels and discounts for the low-income toll program
	  	Partner agencies and ODOT continue to refine the complementary project lists in context of traffic analysis, toll project beneficial and adverse effects to equity framework communities, and available funding
		Begin baseline monitoring: I-205 Toll Project
	 	EMAC and ODOT hold Accountability Workshop #3 to discuss and recommend the long-term monitoring and accountability plan
		ODOT potentially contracts with community-based organizations to support community education about tolling and account creation for the low-income toll program
		ODOT finalizes income verification process and operational procedures
	 	ODOT promotes toll account sign-ups and use of public transportation and other travel choices

KEY

 Decision-maker
 Informer









 FHWA
 OTC

 ODOT
 Public Input


 Partner Agencies
 Committees/Workgroups


Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

Equitable Toll Program Development Plan: Sequence of Decisions and Milestones, continued

Year	Role	Decision or Milestone
2026		Initiate Oregon Toll Program low-income toll program and begin toll collection for I-205 Toll Project
	 	Begin baseline monitoring: RMPP
	 	ODOT initiates implementation of the long-term equity monitoring and accountability plan
	 	Earliest OTC could set specific toll rates: RMPP (6 months before toll collection)
		Earliest construction could begin (date at which toll collection begins is dependent on construction and implementation schedule)

KEY


 Decision-maker


 Informer

 FHWA

 OTC

 ODOT

 Public Input

 Partner Agencies

 Committees/Workgroups

Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

ACRONYMS

EMAC	Equity and Mobility Advisory Committee	PEL	Planning and Environment Linkages
FHWA	Federal Highway Administration	RMPP	Regional Mobility Pricing Project
ODOT	Oregon Department of Transportation	RTP	Regional Transportation Plan
OTC	Oregon Transportation Commission	RTAC	Regional toll Advisory Committee
OTP	Oregon Transportation Plan	STRAC	Statewide Toll Rulemaking Advisory Committee
PAC	Portland Region Value Pricing Policy Advisory Committee		

3 Diversion Management and Mitigation Plan

We have heard regional and local partner agencies, residents, and businesses express concern about traffic diversion from the tolled interstates to adjacent highways and local roads. As we plan, design, and ultimately implement the toll program, our top priority is to improve travel on the tolled interstates and raise revenue for transportation needs, and to do so in a way that minimizes impacts to local communities.

We are looking at a comprehensive suite of strategies to minimize traffic diversion from the interstates to local roads, while achieving our core program goals of managing regional traffic congestion and generating sustainable revenue for bottleneck-relief projects. These strategies include toll program and toll project design, mitigation under federal law, ongoing assessment and adjustment of toll system performance after tolling begins, and investments to complement the toll system.

Traffic diversion is not new.

Bottlenecks and traffic congestion on our interstates already result in traffic diversion from the interstates to our local streets, regional arterials, and other highways. This causes slow and unpredictable travel times, making it difficult to get to work and school, and to shop, access health and social resources, and deliver goods and services. On top of that, safety worsens on and off the interstates, as crash frequency tends to increase with congestion and stop-and-go traffic. Vital emergency services such as ambulances, fire trucks, and police vehicles are also stuck in this same traffic, increasing health and safety risks in communities.

Understanding the Problem

We understand that traffic diversion is a serious concern among communities close to I-5 and I-205. We also understand that in order to deliver on our safety and livability goals as an agency, we must recognize the present challenges and spend the time and resources to develop and deliver solutions. Traffic modeling and information from other toll programs show that as traffic flow improves on the tolled interstates, some drivers who currently divert to local roads to avoid congested interstates will choose to return to the interstate.

The Portland metro area population is still growing, even if growth has slowed in recent years. If nothing is done, current bottlenecks and aging infrastructure will continue to hurt the region's quality of life. Action is needed, but we must make careful decisions. With a comprehensive approach to managing traffic diversion, we can build a successful toll system and improve travel for the region overall without harming local communities.

What is Mitigation?

We will implement mitigation for adverse project effects that are identified in the environmental review documents as required by the Federal Highway Administration (FHWA):

- *Federal environmental law requires agencies to identify and include all relevant and reasonable mitigation measures for project impacts.*
- *Effective mitigation starts at the beginning of the NEPA process, and mitigation is an integral part of the project alternatives development and analysis process.*
- *ODOT and FHWA are jointly responsible to ensure that the identified mitigation is implemented or that the associated impacts are compensated for otherwise.*
- *Mitigation measures are incorporated into the project and are eligible for federal funding when FHWA determines that the impacts result directly from the project.*

3.1 Toll Program and Project Design

We aim to avoid and minimize traffic diversion from the interstates to the local roadway network by (1) setting appropriate toll rates to balance traffic at the lowest fee possible and (2) selecting gantry locations to discourage excessive toll avoidance. If the federal environmental analysis and review process identifies traffic diversion from the toll projects that causes community impacts, we will work with impacted communities to identify and implement mitigation.

A foundational goal of the Oregon Toll Program is to manage anticipated traffic diversion from the tolled interstates and minimize traffic diversion early in the project development and design process. To the greatest extent possible, we will avoid traffic diversion to local roads through continued development of program and project design elements, such as toll rates and toll gantry locations.

We are currently analyzing different toll rate options to find one that best meets the key objectives to minimize congestion and traffic diversion, to maximize travel benefits for toll payers and local street users, and to generate revenue for important infrastructure improvements. The Oregon Transportation Commission is the toll authority in Oregon, and will set toll rates based on public input, traffic diversion effects, cost of living changes, congestion relief goals, and net toll revenue generation potential.

Toll Types Being Evaluated:

- Abernethy Bridge point toll
- Priced single express lane for a 7-mile stretch of I-205
- All-lane toll zones in the most congested areas of I-5 and I-205
- All-lane base toll with additional peak pricing on I-5 and I-205

We're Listening: Shaping the Oregon Toll Program

To further engage partners and solicit input on toll program design, we convened technical workgroups composed of partner agency staff, as well as multiple advisory committees, to advise us and the Oregon Transportation Commission on toll system development. The environmental review process for both toll projects will identify roadway, transit, active transportation, and safety effects, as well as potential mitigation strategies to avoid, minimize, or mitigate adverse effects.

We will continue to review toll project effects and identify mitigation strategies in coordination with local jurisdictions and advisory committees, and with input from comments on the environmental documents. The revised environmental documents will include the final mitigation commitments and their potential environmental effects.

Managing Traffic Diversion: Decisions and Milestones

- ☒ Initiated federal environmental review process for toll project.
- ☐ Determine toll zones, toll points, and/or gantry locations with partner input.
- ☐ Identify adverse effects of traffic diversion and work with partners and the Federal Highway Administration to determine potential mitigation.
- ☐ Evaluate mitigation proposal effects.
- ☐ Publish environmental review document.
- ☐ Hold public comment period for environmental review.
- ☐ Refine and finalize traffic diversion mitigation, if needed.
- ☐ Achieve federal environmental review approval.
- ☐ Establish baseline conditions prior to toll system operation.
- ☐ Set project toll rates.

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

3.2 Oregon Toll Program Adaptive Traffic Management Framework

After implementing toll projects, we will not “set it and forget it.” We will continue to collaborate with regional partners to assess travel and traffic diversion patterns after tolls begin and into the future. As the toll system begins operation, if we find that it causes excessive traffic diversion impacts to the local community and roadway network, we will work with partners to identify solutions.

We will coordinate with multiple workgroups and local agency staff to develop an Adaptive Traffic Management Framework for the Oregon Toll Program. This framework will establish a process to track and routinely assess changes in traffic and safety patterns due to tolling at various time scales (e.g., hourly, weekly, monthly) and by mode of transportation. While the federal environmental review process seeks to predict effects, monitoring allows for continued evaluation of, and response to, actual toll program performance.

We are required to avoid and minimize adverse effects from the project, and if we are not able to, we must determine if mitigation is needed. Monitoring is required to establish future mitigation needs, especially if they emerge in later years after implementation of tolls. We will mitigate the additional effects directly caused by tolling.

We’re Listening: Shaping the Oregon Toll Program

Developing an Adaptive Traffic Management Framework will require collaboration with partner agencies to achieve a comprehensive understanding of traffic changes and to ensure that additional impacts are not realized after project implementation. We propose to convene workgroups to ensure regional collaboration on the monitoring effort. These workgroups would include staff from ODOT, local agencies, and public transportation providers, and will focus on objectives related to communication, operations and performance, agency coordination, and issue identification and resolution. We will also coordinate with workgroups to identify locations (key routes) to monitor.

Many elements of this framework are still under development and will require further coordination within ODOT and with regional partners. Development of the Adaptive Traffic Management Framework is a core element of the Regional Toll Advisory Committee and Equity and Mobility Advisory Committee workplans for 2024. We aim to obtain regional concurrence on tracked metrics and frequency and thresholds for adjustments to planned mitigation, as well as the process to identify unanticipated locations requiring mitigation. Once partner feedback has been incorporated and the Adaptive Traffic Management Framework has been completed, we will begin monitoring for baseline conditions approximately 12 months before toll collection starts.

Adaptive Traffic Management Framework: Decisions and Milestones

- ☒ *Initiated Adaptive Traffic Management Framework planning.*
- ☐ *Convene regional partner workgroups to collaborate on the Framework.*
- ☐ *Collaborate with partner agencies, RTAC, and EMAC on Framework development.*
- ☐ *Finalize Framework with partner input.*
- ☐ *Begin baseline conditions monitoring.*

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

3.3 Projects that Complement the Oregon Toll Program

We will continue collaboration with regional partners to explore multimodal investments and funding opportunities to expand travel options for those who need to travel on or near the tolled interstates.

Over the last year, we actively engaged our local agency and public transportation partners in the Portland Metro area, including Southwest Washington, in two efforts: one specifically focused on public transportation, called the Public Transportation Strategy, and another focused on bicycle, pedestrian, roadway, and other mobility investments, called the Nexus project list. The purpose of these efforts was to compile lists of investments that our regional partners believe are needed to address anticipated impacts from toll implementation. In total, over 200 multimodal projects and supportive services were identified. Many of the proposed system improvements are already included in local and regional planning documents and address system gaps and deficiencies that exist today or in the future, with or without tolling. The congestion pricing system will be more effective with regional investment in the multimodal transportation system to address existing issues.

Mitigation or Complementary Projects

We agree that tolling cannot solve our region's congestion problems on its own. It is just one tool in the toolbox. Infrastructure investments in public transportation; bicycle and pedestrian paths, trails, sidewalks, and lanes; and other roadway improvements are needed to keep our region moving.

Some investments will be made to address adverse effects from the toll projects. These are called "mitigation" and are federally required to be implemented after achieving concurrence from the Federal Highway Administration that the project can advance. ODOT is required to pay for these improvements.

Other projects are necessary, but not solely because of toll projects. They are needed to make sure the entire transportation network operates as efficiently as possible and to provide options for people who do not or cannot drive a motor vehicle to certain destinations. These investments take partnerships and multiple funding sources to complete. We intend to collaborate with our jurisdictional partners to build a regional multimodal

We're Listening: Shaping the Oregon Toll Program

As we conduct environmental analyses to identify potential beneficial and adverse effects of the toll projects, early results will be shared with partners, including information about potential effects on traffic diversion, historically and currently underrepresented and underserved communities, safety, the economy, and traffic congestion. When the new information, data, and analysis are available, regional partners may decide to revise or refine the complementary project lists.

The effort to identify complementary projects is a new approach for us and will require further development of specific processes. Next steps include additional analyses informing refinement of the project lists by partners, determination of implementation timeframes, and identification of potential funding sources for some or all projects, including use of toll revenue as a funding source. These steps will be informed by findings from parallel efforts, including the environmental review analyses for the two toll projects, revenue and traffic studies for the two projects, low-income toll program development, and rulemaking and rate-setting recommendations from the Statewide Toll Rulemaking Advisory Committee.

Toll Projects Complementary Multimodal Investments: Decisions and Milestones

- ☒ Urban Mobility Strategy guides Portland Metro area toll investments.
- ☒ Potential toll-free multimodal travel options to complement toll projects identified.
- ☐ Begin toll revenue allocation discussion.
- ☐ Share analysis to understand project beneficial and adverse effects.
- ☐ Determine next steps for complementary project list refinement.
- ☐ Refine complementary project lists in context of available new information.
- ☐ Share Level 2 Traffic and Revenue Study results.
- ☐ Determine eligibility for a project to use net toll revenue as a funding source.

All decisions and milestones are shown in sequence on one or both timeline graphics in sections 2.5 and 3.4.

3.4 Diversion Management and Mitigation Plan: Sequence of Decisions and Milestones

The timeline that follows shows the year that key Oregon Toll Program decisions and milestones occurred or began through 2023. Looking forward, it provides a best-informed estimate of the sequence of future decisions and milestones. These are all generally presented at the earliest point in time that they may occur. The flow of the future decisions and milestones may shift as the Oregon Toll Program develops and the I-205 Toll Project and the RMPP progress through their planning phases.

Diversion Mitigation and Management Plan: Sequence of Decisions and Milestones

Year	Role	Decision or Milestone
2017		Oregon Legislature passed House Bill 2017 , which directed the OTC to pursue value pricing (tolling) as a means of managing congestion on the interstates and providing funding for critical transportation investments
2018	F OTC O P PA CW	ODOT's Value Pricing Feasibility Analysis determined tolls on I-5 and I-205 in the Portland Metropolitan area are feasible to manage congestion
	F O OTC	PAC recommended moving forward toll projects on I-5 and I-205 and advance three priorities for mitigation strategies
2019	F	FHWA provided formal next steps and guidance to develop ODOT toll projects
2020	F O P PA	ODOT initiated federal environmental review: I-205 Toll Project
	O P PA	ODOT committed to studying regional tolling on I-5 and I-205 (RMPP) in response to public comments received during I-205 Toll Project scoping
2021	OTC O F O	OTC adopted the Urban Mobility Strategy , which guides Portland Metro area toll investments
	O PA CW	ODOT and FHWA initiated the federal Planning and Environment Linkages process: RMPP
2022	F O PA CW	ODOT initiated Adaptive Traffic Management Framework planning
	F O P PA CW	ODOT established the RTAC in response to partner comments received during I-205 Toll Project RTP amendment to advise the ODOT Director on regional toll projects
2023	OTC O P PA	OTC adopted the Oregon Highway Plan Tolling and Congestion Pricing Policy Amendment
	O	ODOT convened STRAC to advise on rules for customer accounts, rate setting, exceptions, and low-income toll program
	OTC O	ODOT and FHWA published the federal environmental review document: I-205 Toll Project
		Governor Kotek delayed toll collection to after January 1, 2026
	O	OTC and ODOT provided Governor Kotek and updated finance plan for the UMO projects assuming the delay to toll collection
	OTC O	ODOT and OTC determined the I-205 Toll Project and the I-205 Improvements Project would be reduced to a point toll at the Abernethy Bridge to fund reconstruction of the bridge
	O PA	Partner agencies identified potential toll-free multimodal travel options to complement toll projects
	O	ODOT initiated effort to prepare supplemental environmental review document: I-205 Toll Project
	O CW	STRAC finalized feedback on draft toll rules at its final meeting

KEY



Decision-maker



FHWA



ODOT



Partner Agencies



Informer



OTC



























































































Public Input



Committees/Workgroups

Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

Diversion Mitigation and Management Plan: Sequence of Decisions and Milestones, continued

Year	Role	Decision or Milestone
2024	    	OTC begins net toll revenue allocation discussion
	  	ODOT convenes partner agency workgroups and committees to collaborate on Adaptive Traffic Management Framework
	  	ODOT confirms gantry location(s): I-205 Toll Project
	     	ODOT begins to share environmental analysis to understand beneficial and adverse project effects: I-205 Toll Project
	  	ODOT shares findings on analysis of different rate structures and discusses trade-offs with OTC and RTAC: RMPP
	    	ODOT, with partner input, continues federal environmental review: RMPP
	   	ODOT, FHWA and partner agencies identify potential traffic diversion mitigation: I-205 Toll Project
		ODOT shares findings from the Level 2 Traffic and Revenue Study: I-205 Toll Project
	 	Partner agencies work with ODOT to define next steps to refine complementary project lists
	  	Partner agencies work with ODOT to refine the complementary project lists with results from traffic analysis, effects on equity framework communities, and available funding
	   	ODOT provides draft Adaptive Traffic Management Framework proposal for partner agency, RTAC, and EMAC review and input
	 	ODOT and FHWA publish the federal environmental review document: I-205 Toll Project
	  	Environmental review public comment period: I-205 Toll Project
	   	ODOT and partner agencies refine and finalize traffic diversion mitigation, if needed: I-205 Toll Project
	 	ODOT determines toll zones, toll points, and/or gantry locations: RMPP
	 	ODOT achieves federal environmental review decision: I-205 Toll Project
		Earliest gantry construction could begin: I-205 Toll Project
	     	ODOT begins to share environmental analysis to understand beneficial and adverse project effects: RMPP
	   	ODOT, FHWA, and partner agencies identify potential traffic diversion mitigation: RMPP
	  	ODOT finalizes Adaptive Traffic Management Framework and begins implementation
2025	  	Partner agencies and ODOT continue to refine the complementary project lists in context of traffic analysis, toll project beneficial and adverse effects to equity framework communities, and available funding
	 	Begin baseline monitoring: I-205 Toll Project
		ODOT completes I-205 Toll Project Investment Grade Traffic and Revenue Analysis
	 	OTC sets specific toll rates: I-205 Toll Project (6 months before toll collection)
	 	ODOT and FHWA publish the federal environmental review document: RMPP
	  	Environmental review public comment period: RMPP
	   	ODOT, FHWA, and partner agencies refine and finalize traffic diversion mitigation, if needed: RMPP
		ODOT shares findings from the Level 2 Traffic and Revenue Study: RMPP
	 	ODOT can determine eligibility for a project to use toll revenue as a funding source: RMPP corridor
	 	ODOT achieves federal environmental review decision and confirms construction and implementation schedule: RMPP

KEY



Decision-maker



Informer

F

FHWA

O

ODOT

PA

Partner Agencies

OTC

OTC

P







Public Input

CW




Committees/Workgroups

Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

Diversion Mitigation and Management Plan: Sequence of Decisions and Milestones, continued

Year	Role	Decision or Milestone
2026		Initiate Oregon Toll Program low-income toll program and begin toll collection for I-205 Toll Project
	 	Begin baseline monitoring: RMPP
	 	Earliest OTC could set specific toll rates: RMPP (6 months before toll collection)
		Earliest construction could begin (date at which toll collection begins is dependent on construction and implementation schedule): RMPP

KEY

 Decision-maker	 FHWA	 ODOT	 Partner Agencies
 Informer	 OTC	 Public Input	 Committees/Workgroups

Partner agencies include government agencies from Portland metro area cities, counties, ports, transit agencies and districts, and metropolitan planning organizations.

ACRONYMS

EMAC	Equity and Mobility Advisory Committee	PEL	Planning and Environment Linkages
FHWA	Federal Highway Administration	RMPP	Regional Mobility Pricing Project
ODOT	Oregon Department of Transportation	RTP	Regional Transportation Plan
OTC	Oregon Transportation Commission	RTAC	Regional Toll Advisory Committee
OTP	Oregon Transportation Plan	STRAC	Statewide Toll Rulemaking Advisory Committee
PAC	Portland Region Value Pricing Policy Advisory Committee	UMO	Urban Mobility Office

Acronyms

Acronym	Definition
EMAC	Equity and Mobility Advisory Committee
FHWA	Federal Highway Administration
ODOT	Oregon Department of Transportation
OTC	Oregon Transportation Commission
PAC	Value Pricing Feasibility Analysis Policy Advisory Committee
PEL	Planning and Environment Linkages
RMPP	Regional Mobility Pricing Project
RTAC	Regional Toll Advisory Committee
RTP	Regional Transportation Plan
STRAC	Statewide Toll Rulemaking Advisory Committee
UMO	Urban Mobility Office
UMS	Urban Mobility Strategy

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We welcome feedback in multiple ways:

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- Call and leave us a voicemail: **503-837-3536**
- Provide a comment virtually using our [**web comment form**](#).
- [**Join our email list**](#) to stay informed about upcoming meetings and events.