

# Delivering HB 2017 – Completing Projects, Building Programs, and Delivering Outcomes

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Oregon Department of Transportation

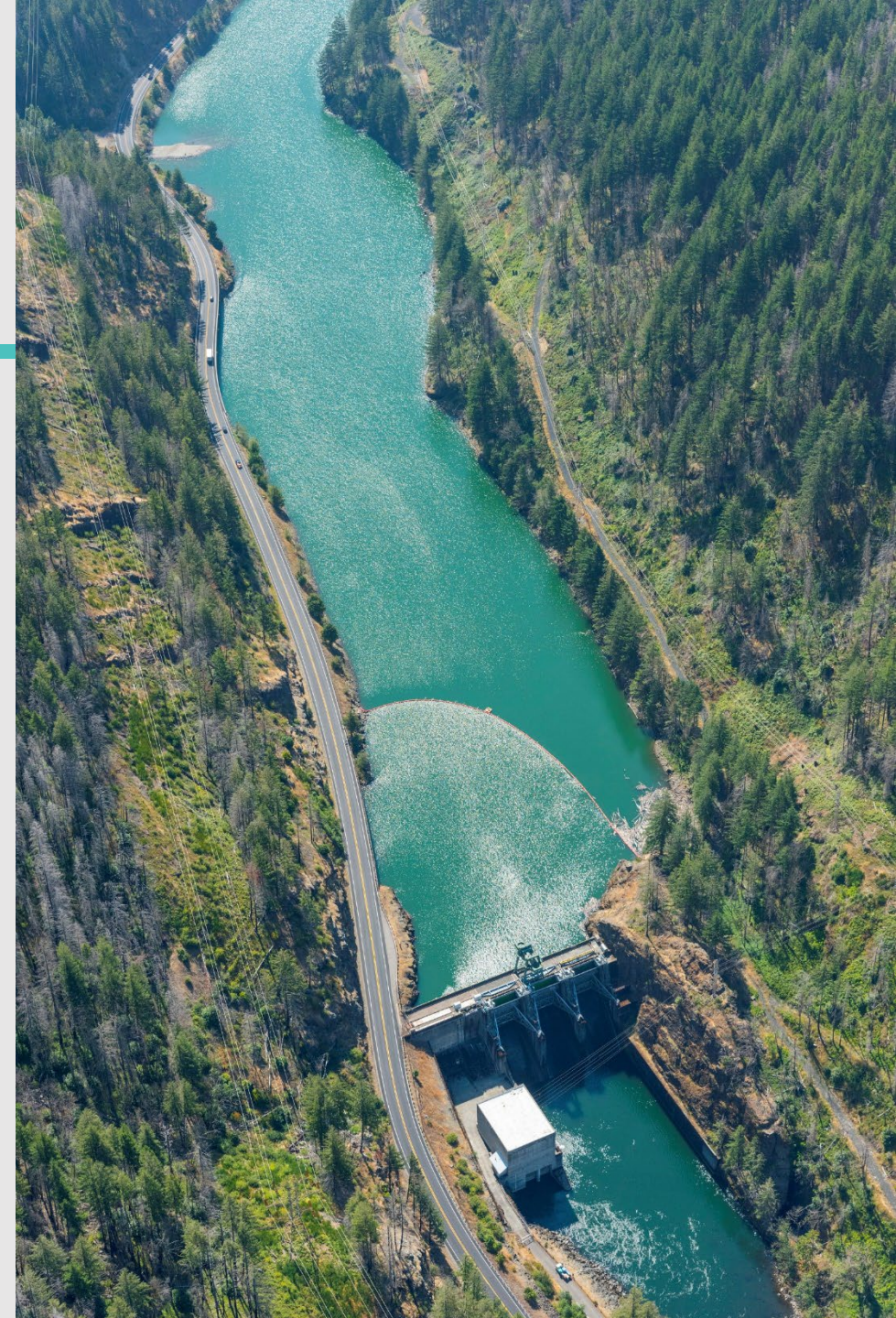
January 27, 2025

Joint Committee on Transportation

# Roadmap

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- HB 2017 Framework
- Funding and Revenue
- Named (71d) Projects
- Safe Routes to School Program
- Connect Oregon Program
- Statewide Transportation Improvement Fund (transit)
- Urban Mobility Strategy
- HB 2017 Today



# HB 2017 Background

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- **2015-2016:** Gov. Brown's Transportation Vision Panel toured the state to learn about Oregonians' priorities. The panel recommended significant investments in the state's transportation system



- **2016:** The Joint Committee held 13 meetings in 10 communities throughout Oregon



- **2016:** The Legislature convened the Joint Committee on Transportation Preservation and Modernization to gather information regarding transportation needs and concerns across the state



- **2017:** The Legislature passed House Bill 2017, making significant investments in Oregon's transportation system



# Central Themes of HB 2017

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- Transportation Investments
- Congestion Relief in Portland metro region
- Safety
- Transparency & Accountability
- Diversifying Revenue





# HB 2017 Accountability

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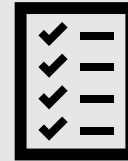
Each fuel tax increase conditioned on ODOT meeting **accountability requirements**



**All gas tax funds must be spent on roads**, so they can't be diverted for other purposes



OTC appointed the **Continuous Improvement Advisory Committee**



ODOT and local governments **report on the condition of roads and bridges**



ODOT created a **transparency, accountability, and performance website**



Strengthened OTC oversight and direction of ODOT **internal audits**

# Accountability

## HB 2017 Set the Stage

- Section 9 property inventory
- Section 10 Continuous Improvement Advisory Committee
- Section 11 bridge and pavement reporting
- Section 12 TAP [website](#)
- Section 13 cost-benefit analyses
- Section 45 reporting (conditional fuels increase report)
- Section 71L reporting (semi-annual revenue and expenditure report)
- Section 121 Task Force on Mega Transportation Projects

## ODOT Efforts to Strengthen Performance Culture

- Strategic Review
- State of the System Dashboard [website](#)
- Improving project scopes, schedules, and budgets



HB 2017  
Semiannual Revenue &  
Expenditure Report



2023  
Oregon  
Transportation  
Infrastructure  
Condition Report

Oregon Transportation Commission

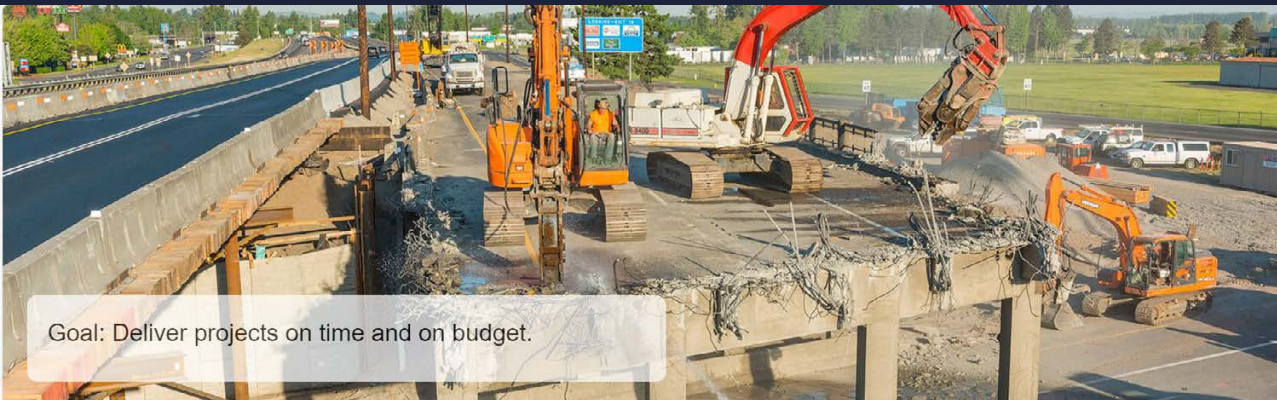
MARCH 2023

Oregon Transportation Commission Report to the  
Joint Committee on Transportation

Continuous Improvement Advisory Committee  
Activities & Recommendations  
2022-2023



December 2023



We manage hundreds of construction projects of various sizes and in various stages of development, but they all help keep travelers moving safely and efficiently across the system. Some examples of the work we do:



- Improving intersections with new lighting, better crosswalks and signals, and other safety enhancements.
- Repairing bridge structures and retrofitting them to be more resilient to earthquakes.
- Repaving road and bridge surfaces, replacing guardrails, and adding rumble strips to road centerlines and shoulders.
- Filling in sidewalk gaps, adding bike lanes, and building new multi-use paths.
- Improving transit service by widening interstate shoulders to allow buses to use them in heavy traffic.
- Easing traffic congestion by adding auxiliary lanes, improving on-and-off ramps, and building roundabouts.
- Replacing culverts to keep water from damaging our roads.

#### On this page...

- On-time & on-budget delivery
- Factors impacting project delivery performance
- Investments in disadvantaged communities
- Transportation Project Tracker

## We're taking action to better estimate project costs and timelines

Three to five years before a project starts, ODOT estimates the total cost of the project in order to program/reserve funds. Project components and the type of design are identified (e.g., traffic signal at an intersection, and a buffered bike lane) but not developed (less than 5% of design work is completed). Project costs sometimes change once additional design work and environmental analysis are done.

To improve estimates, we are:

- Developing a process for a 10 Year Rolling Investment Strategy to better plan for future investments, including;
  - Programming closer to the time the project starts. (1-2 years out)
  - Getting further into design (closer to 30%) before programming and obtaining a better understanding of permitting and risk mitigation requirements.
- Monetizing risks in estimates.
- Putting in place more project controls.
  - Establishing formalized quarterly project and program reports to identify potential project trends and risk mitigation strategies early.

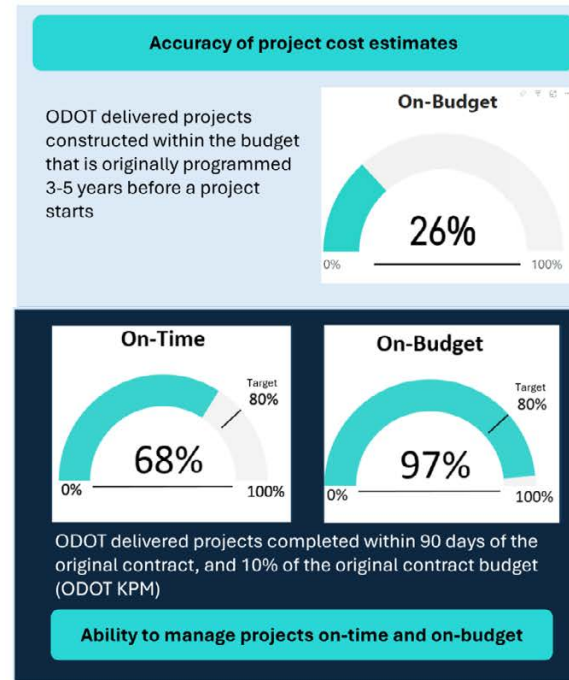
## ODOT construction staff manage projects within their allotted budget

Once projects enter the construction phase, we construct and deliver most projects on-time and on-budget.

As we improve and align project estimating with project delivery, on-time and on-budget performance should be more accurate from project programming through completion, not just construction through completion.

## We are working to improve our project delivery, but we face significant hurdles

- Many factors impact on-time and on-budget delivery:
  - Cost of materials and fuels
  - Community support
  - Other unforeseen issues (e.g., unanticipated geological features, archeological finds, environmental impacts)
- ODOT plans for average inflation and risks when estimating costs. However, material costs can fluctuate from year to year and even quarter to quarter. Over the past few years:
  - Fuel costs have gone up 67%
  - Asphalt and cement material costs are up 50%
  - The cost of steel has increased by 59%



ODOT delivered projects between 07/01/2022 and 06/30/2023

[Construction Projects On-Time - Key Performance Measure](#)

[Construction Project On-Budget - Key Performance Measure](#)



Source: ODOT Project Controls Office, Updated 04/2024

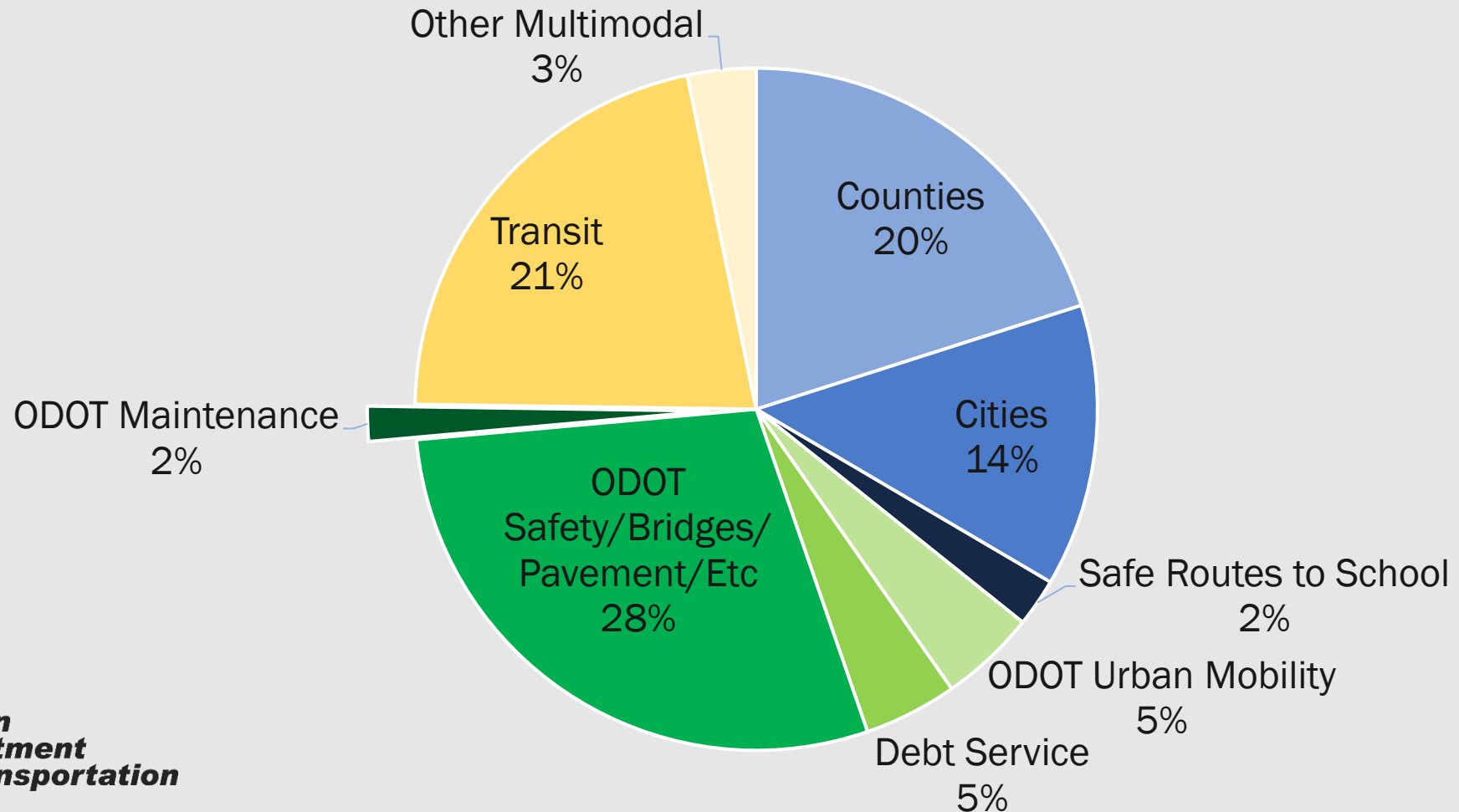


# Sources & Distribution of HB 2017 Revenue

NEW (non-State Highway Fund)				
0.1% Payroll (Transit) Tax	→	Statewide Transportation Improvement Fund (STIF)	→	<ul style="list-style-type: none"><li>Expand and/or improve transit options</li><li>Increased connectivity</li></ul>
\$15 Bike Excise Tax	→	Multimodal Active Transportation Fund	→	Bike/Ped off-system projects
Light Vehicle Dealer Privilege Tax <i>- After 45% to DEQ for EV Rebate Program</i>	→	Connect Oregon	→	Dedicated projects, Connect Oregon Program
INCREASED (State Highway Fund)				
Light Vehicle Use Tax <i>(new)</i>	→	State Highway Fund	→	<u>Off-the-top</u> <ul style="list-style-type: none"><li>\$15M/year for Safe Routes to Schools</li><li>\$30M/year for the Urban Mobility Strategy</li></ul>
Weight-mile Tax				
Motor Fuels Tax				<u>Apportionment</u> <ul style="list-style-type: none"><li>50% to ODOT<ul style="list-style-type: none"><li>\$10M Safety</li><li>70% Bridge and Seismic</li><li>24% Preservation</li><li>6% Maintenance</li></ul></li><li>30% to Counties</li><li>20% to Cities</li></ul>
DMV Vehicle Registration & Title Fees				

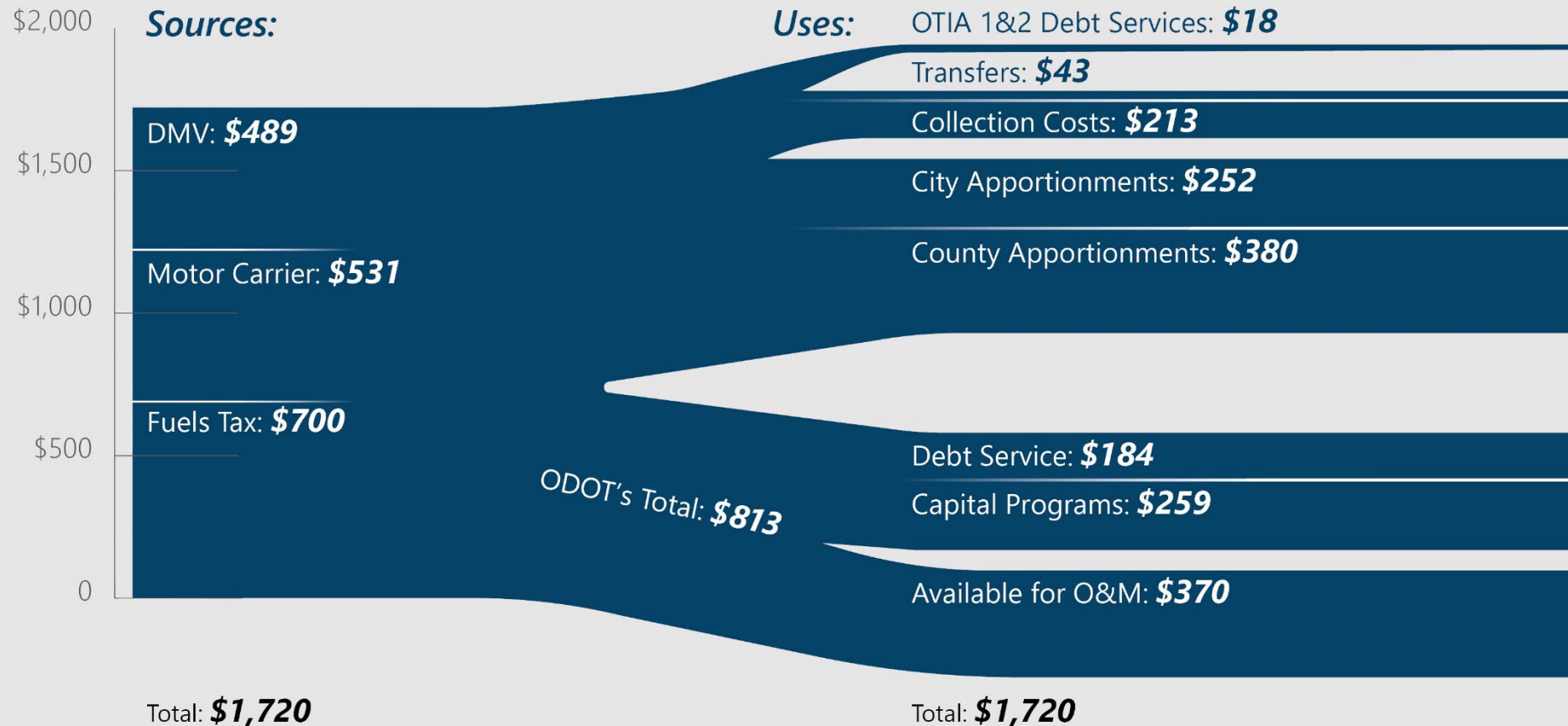
# HB 2017 Funding Distribution

Forecast for FY 2025; \$658 million total projected revenue



# State Highway Fund Sources and Uses

2023-2025 Annual Average in Millions\*





# HB 2017: Project Funding 2018 - 2027

**Legislatively directed projects** funded by state highway funds and bond proceeds:

- 17 Local projects
- 23 State projects

**Funding allocated to date:**

- Total ODOT share (50% after off-the-top dedications): \$923M
  - Debt service: \$46M
  - Safety: \$66M
  - Bridge/Seismic (70%): \$451M
  - Preservation/Culverts (24%): \$154M
  - Maintenance (6%): \$39M
  - Non-bonded directed projects: \$167M

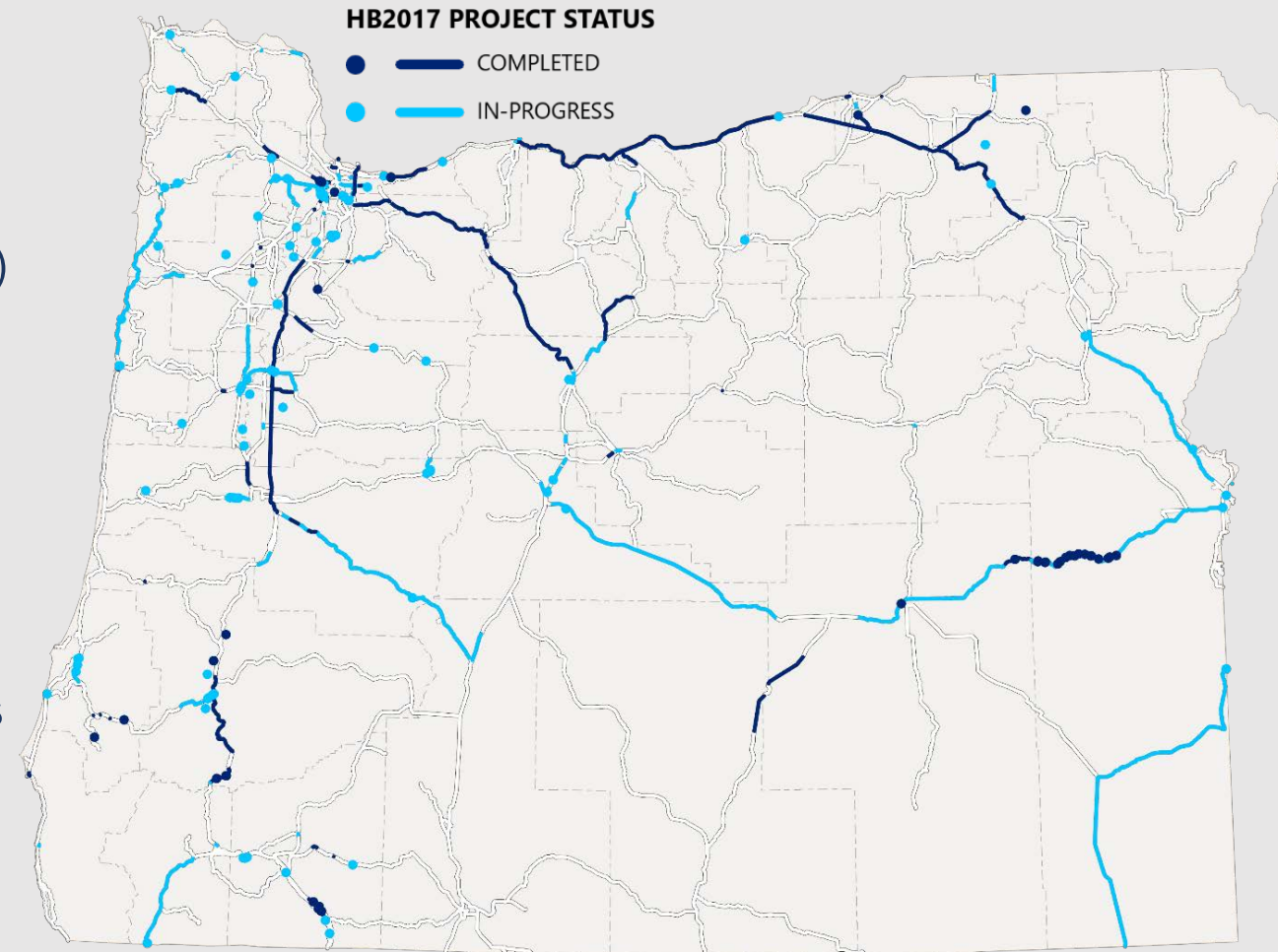


# HB 2017: Capital Projects (non-named)

## 2018 – Present

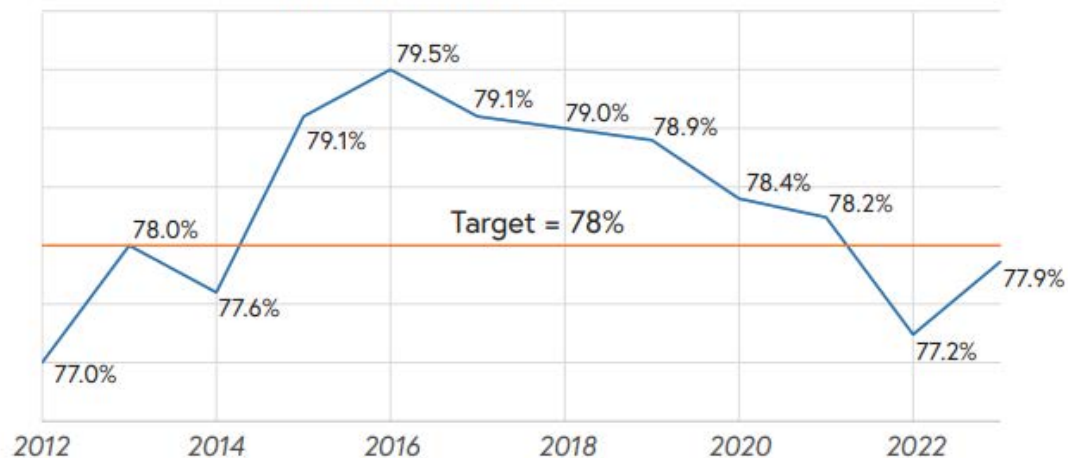
133 total projects varying in size, scope, scale  
(2018 - 2027)

- 60 projects completed (100% delivered)
- 29 projects in construction
- 44 projects in design
- **Bridge:** 30+ replacements & 500+ rehabilitations
- **Pavement:** 500+ miles paved & 100+ miles chip sealed
- **Safety:** 30+ projects
- **Culvert:** 90+ repaired or replaced





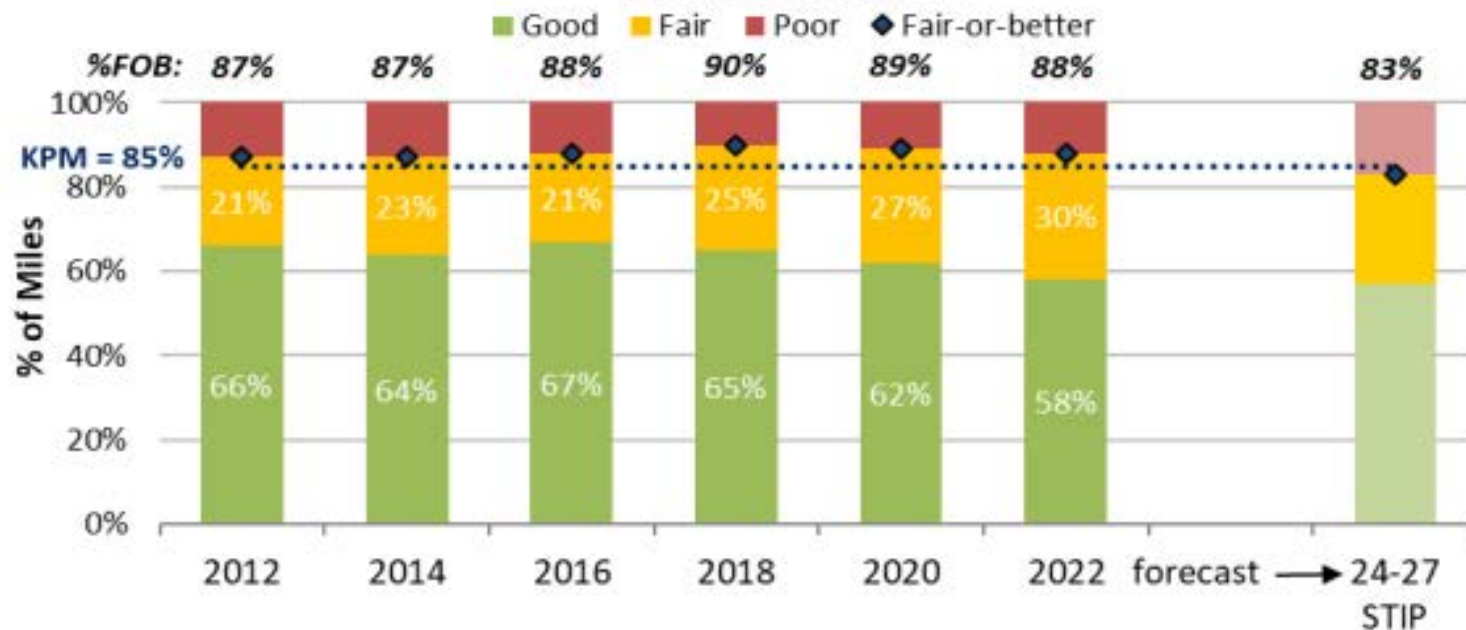
**Bridge KPM: ODOT bridges in not distressed condition includes culverts** (percent is by count)



ODOT bridges in not distressed condition. Larger percentages are better.

## Transportation System Condition

**All State Highways**





# HB 2017 Named (71d) Projects

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## ODOT Project Complete



## Local Project



## ODOT Project in Construction



## Pending/Cancelled

Year / Project Name	Highway Cash Flow	Highway Bond Proceeds	Multimodal	Total	Year / Project Name	Highway Cash Flow	Highway Bond Proceeds	Multimodal	Total
2018					2021				
Rest Areas Capital Improvement	\$2,780,000			\$2,780,000	OR-217 Southbound		\$44,000,000		\$44,000,000
Port of Hood River Bridge Replacement EIS	\$5,000,000			\$5,000,000	Rest Areas Capital Improvement	\$444,000			\$444,000
Territorial Highway jurisdictional transfer	\$5,000,000			\$5,000,000	US 97 at Terrebonne		\$20,000,000		\$20,000,000
State Hwy 99 Improvements in Eugene - jurisdictional transfer	\$5,000,000			\$5,000,000	Oregon Manufacturing Innovation Center Access Roads in Columbia County (Possible Funding Elsewhere)	\$4,000,000			\$4,000,000
Tom McCall Road Roundabout	\$1,000,000			\$1,000,000	I-5 at Aurora-Donald Interchange, Phase 1		\$25,000,000		\$25,000,000
Improvements to Graham Road at the intersection with I-84 in City of Troutdale	\$3,000,000			\$3,000,000	US 20 Safety Upgrades: Albany to Corvallis		\$20,000,000		\$20,000,000
2018 Total	\$21,780,000			\$21,780,000	2021 Total	\$4,444,000	\$109,000,000		\$173,444,000
2019					2022				
I-205 Active Traffic Management	\$15,200,000			\$15,200,000	Rest Areas Capital Improvement	\$3,611,000			\$3,611,000
I-205 Corridor Bottleneck	\$15,500,000			\$15,500,000	US 20 Freight Mobility Enhancements	\$10,000,000			\$10,000,000
Ontario / Nyssa Transmodal Facility (Local Non-Hwy)			\$26,000,000	\$26,000,000	Powell Blvd Jurisdiction Transfer (Phase I, II & III)		\$110,000,000		\$110,000,000
Port of Morrow - Rail Expansion in East Beach Industrial Park & other (Local Non-Hwy)			\$6,550,000	\$6,550,000	OR 99E in City of Halsey	\$13,000,000			\$13,000,000
Port of Umatilla Road (Local)	\$2,000,000			\$2,000,000	Territorial Highway jurisdictional transfer	\$20,000,000			\$20,000,000
Rest Areas Capital Improvement	\$5,774,000			\$5,774,000	2022 Total	\$46,611,000	\$110,000,000		\$156,611,000
Hwy 211 Improvements from Hwy 213 to Molalla Avenue in City of Molalla	\$750,000			\$750,000	2023				
Wanapa Street Improvements in City of Cascade Locks	\$750,000			\$750,000	Hermiston North First Place Project (Local)	\$4,500,000			\$4,500,000
Columbia Blvd Pedestrian Safety Improvements	\$1,500,000			\$1,500,000	OR-217 Northbound		\$54,000,000		\$54,000,000
State Hwy 214 pedestrian safety improvements @ Jefferson Street in City of Silverton	\$750,000			\$750,000	Rest Areas Capital Improvement	\$1,297,000			\$1,297,000
State Hwy 126 Florence-Eugene Highway EIS Study	\$3,000,000			\$3,000,000	42nd Street in City of Springfield	\$12,000,000			\$12,000,000
Improvements to Alder Creek Road in Wheeler County (Local)	\$593,000			\$593,000	2023 Total	\$17,797,000	\$54,000,000		\$71,797,000
Pedestrian safety improvements in City of Dufur	\$400,000			\$400,000	2024				
Pedestrian safety and road improvements in City of Prineville	\$3,000,000			\$3,000,000	Hwy 30 / Hughes Lane intersection (Local)	\$5,800,000			\$5,800,000
Eastern Oregon Trade and Event Center Access Road Project (Local)	\$1,097,000			\$1,097,000	Rest Areas Capital Improvement	\$3,240,000			\$3,240,000
Scottsburg Bridge replacement		\$40,000,000		\$40,000,000	State Hwy 58, passing lanes west of Oakridge	\$7,200,000			\$7,200,000
Pedestrian safety improvements in City of Arlington	\$1,500,000			\$1,500,000	Territorial Highway jurisdictional transfer	\$5,000,000			\$5,000,000
Extend Brooks Rail Siding to Reduce Train Traffic Conflicts			\$2,600,000	\$2,600,000	Columbia Development Authority - Umatilla Army Depot Access (Local)	\$7,000,000			\$7,000,000
2019 Total	\$51,814,000	\$40,000,000	\$35,150,000	\$126,964,000	Cedar St. / Hughes Lane intersection enhancements in Baker County	\$1,250,000			\$1,250,000
2020					2024 Total				
Mid-Willamette Valley Transmodal Facility			\$25,000,000	\$25,000,000		\$29,490,000			\$29,490,000
Rest Areas Capital Improvement	\$1,504,000			\$1,504,000	2025				
Pedestrian safety and road improvements in City of Milton-Freewater (Local)	\$3,000,000			\$3,000,000	Rest Areas Capital Improvement	\$766,000			\$766,000
Pedestrian safety and road improvements in City of Burns	\$3,000,000			\$3,000,000	Hwy 22 Center Street Bridge Seismic Retrofit		\$60,000,000		\$60,000,000
Southern Oregon Seismic Triage		\$35,000,000		\$35,000,000	US 97 & Cooley Road Mid-term Improvements		\$50,000,000		\$50,000,000
Pedestrian safety and road improvements in City of Irrigon (Local)	\$3,000,000			\$3,000,000	2025 Total	\$766,000	\$110,000,000		\$110,766,000
Newberg-Dundee Bypass, Phase 2 (Design & Shovel Ready Prep)		\$22,000,000		\$22,000,000	Grand Total				
Pedestrian safety and road improvements in City of Heppner (Local)	\$3,000,000			\$3,000,000		\$186,206,000	\$480,000,000	\$60,150,000	\$726,356,000
2020 Total	\$13,504,000	\$57,000,000	\$25,000,000	\$95,504,000					



# Hwy 211 Improvements from Hwy 213 to Molalla Avenue in City of Molalla

## Status:

- Complete (2021)

## Project scope:

- Constructed a 6ft shoulder
- Removed ditches, installed inlets and storm pipes, relocated utilities
- Replaced culvert and guardrail at Bear Creek

## Funding:

- Dedicated HB 2017 funding: \$750k (intended to partially fund project)
- Final total cost: \$3.9M



Aerial view of Hwy 211  
in Molalla, Oregon



# I-205 Active Traffic Management

## Status:

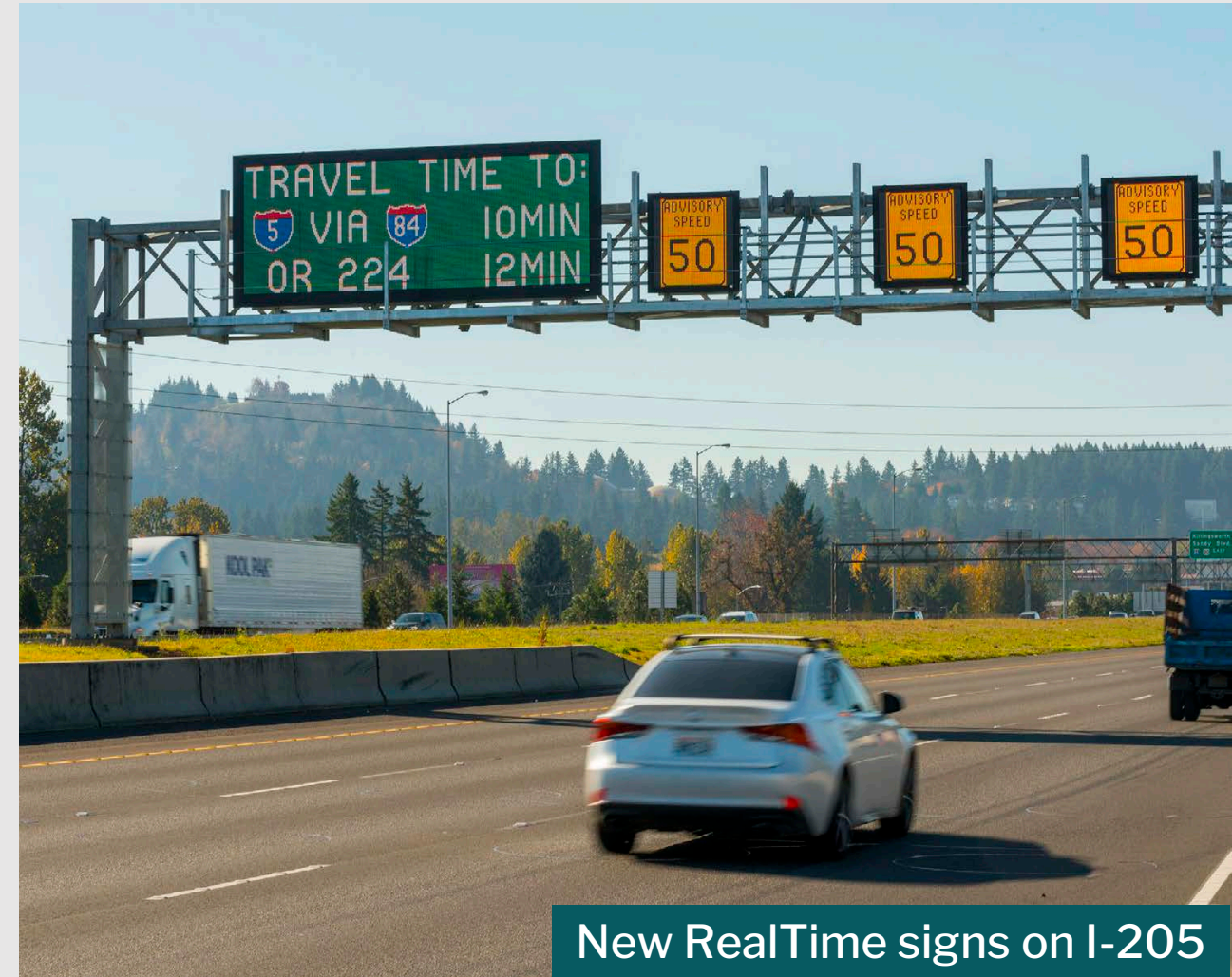
- Complete (2019)

## Project scope:

- Constructed auxiliary lane segments
- Added Active Traffic Management System (ATMS) improvements

## Funding:

- Dedicated HB 2017 funding: \$15.2M
- Final total cost: \$15.2M



New RealTime signs on I-205



# I-205 Corridor Bottleneck

## Status:

- Complete (2019)

## Project scope:

- Constructed auxiliary lane segments
- Added Active Traffic Management System (ATMS) improvements

## Funding:

- Dedicated HB 2017 Funding: \$15.5M
- Final total cost: \$26.5M
  - Additional funds added to expand scope to pave all NB lanes between Powell Blvd and I-84



I-205 Auxiliary Lanes



# Improvements to Graham Road at the intersection with I-84 in City of Troutdale

## Status:

- Complete (2020)

## Project scope:

- Replaced I-84 bridges at Exit 17
- Widened and constructed a sidewalk and bike lane

## Funding:

- Dedicated 2017 funding: \$3M
- Final total cost: \$17.6M
  - HB funds intended to partially fund project – additional funds contributed by ODOT and City of Troutdale for full scope



Before Construction



After Construction



# I-5 at Aurora-Donald Interchange, Phase I

## Status:

- Complete (2022)

## Project scope:

- Developed long term plan for Aurora-Donald interchange
- Constructed Phase I with stand-alone benefit

## Funding:

- Dedicated HB 2017 funding: \$25M
- Total cost estimate: \$27.9M (*includes funding for Phase I and II*)
  - HB funds intended to partially fund both phases





# State Hwy 214 pedestrian safety improvements at intersection with Jefferson Street in City of Silverton

## Status:

- Complete (2020)

## Project scope:

- Installed a pedestrian activated rectangular rapid flashing beacons, median island, and curb ramp

## Funding:

- Dedicated HB 2017 funding: \$750K
- Final total cost: \$847K
  - Exceeded original cost estimate at contract award



Before construction



After construction



# Territorial Highway jurisdictional transfers (3)

## Status:

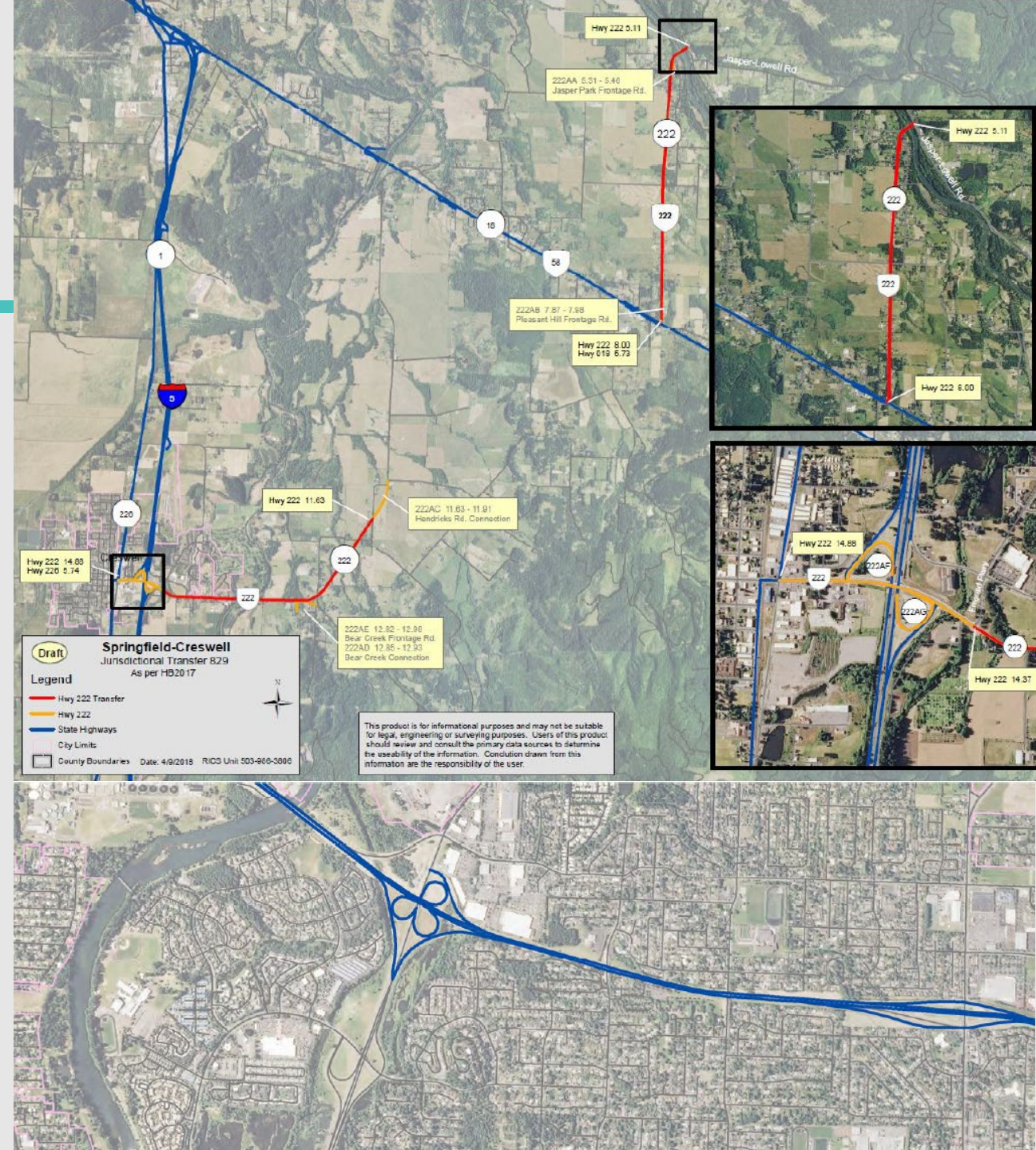
- Complete (2024)

## Project scope:

- Transferred a portion of the Springfield-Creswell Hwy to Lane County (Intersection of Jasper-Lowell Road to Emerald Parkway)
- Lane County transferred a portion of Delta Hwy to ODOT (Intersection of I-105 to Randy Pape Beltline)

## Funding:

- Dedicated HB 2017 funding: \$30M
- Final total cost: \$30M





# US20 Safety Upgrades from City of Albany to City of Corvallis

## Status:

- Complete (2024)

## Project scope:

- Widened shoulders, installed guardrail, added two-way turn lanes, left-turn acceleration lanes, and rumble strips

## Funding:

- Dedicated HB 2017 funding: \$20M
- Final total cost: \$21M



Before Construction



After Construction



# State Hwy 99 in City of Eugene Jurisdictional Transfer

## Status:

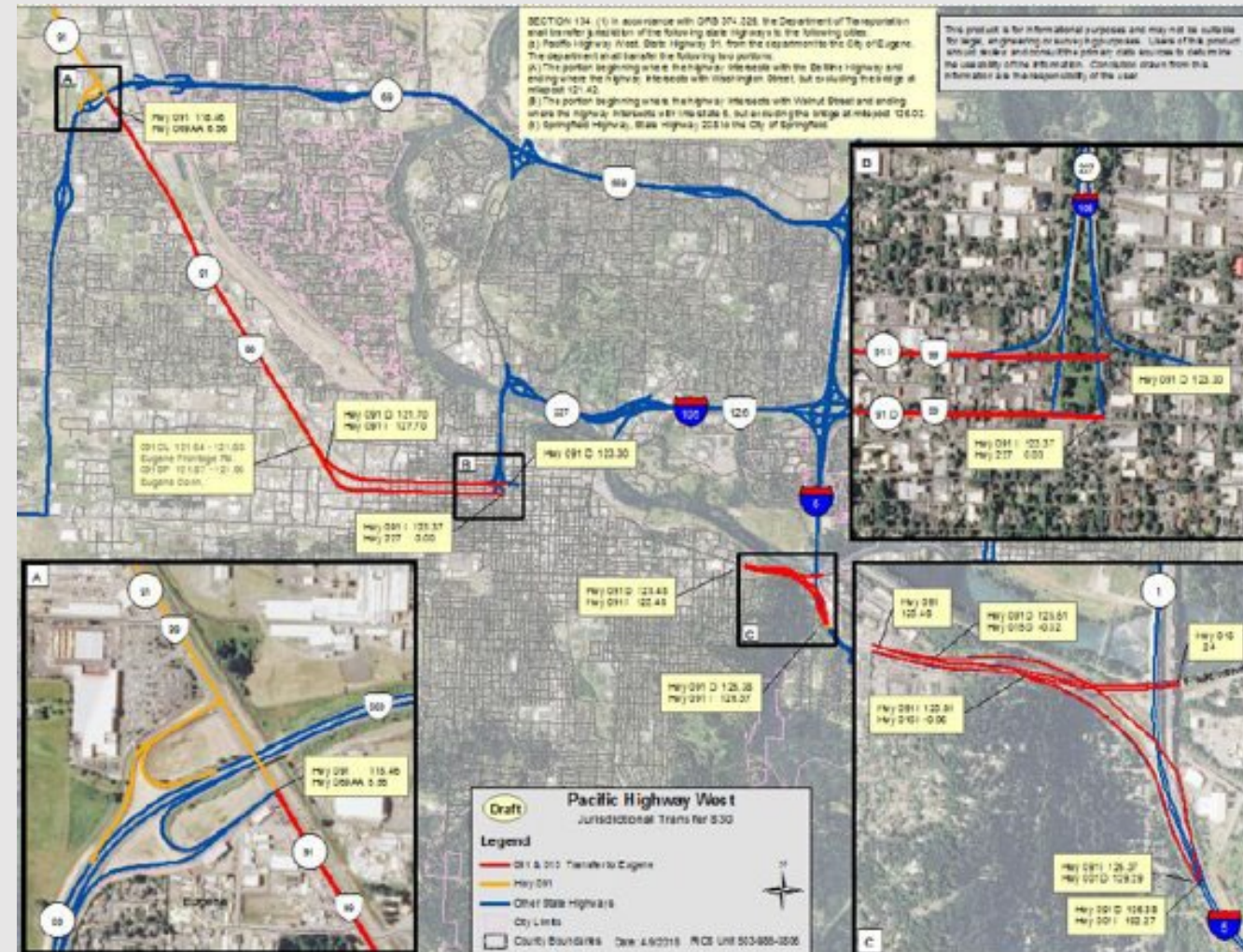
- Complete (2018)

## Project scope:

- Transferred a portion of Hwy 99 to the City of Eugene (Intersection of Beltline Hwy intersection to I-105 and Washington Street)
- Transferred a portion of Hwy 99E to the City of Eugene (Intersection of Walnut Street to I-5 intersection at Riverview Street)

## Funding:

- Dedicated HB 2017 funding: \$5M
- Final total cost: \$7M





# Newberg-Dundee Bypass, State Highway 99W, Phase II, design only

## Status:

- Complete (2022)

## Project scope:

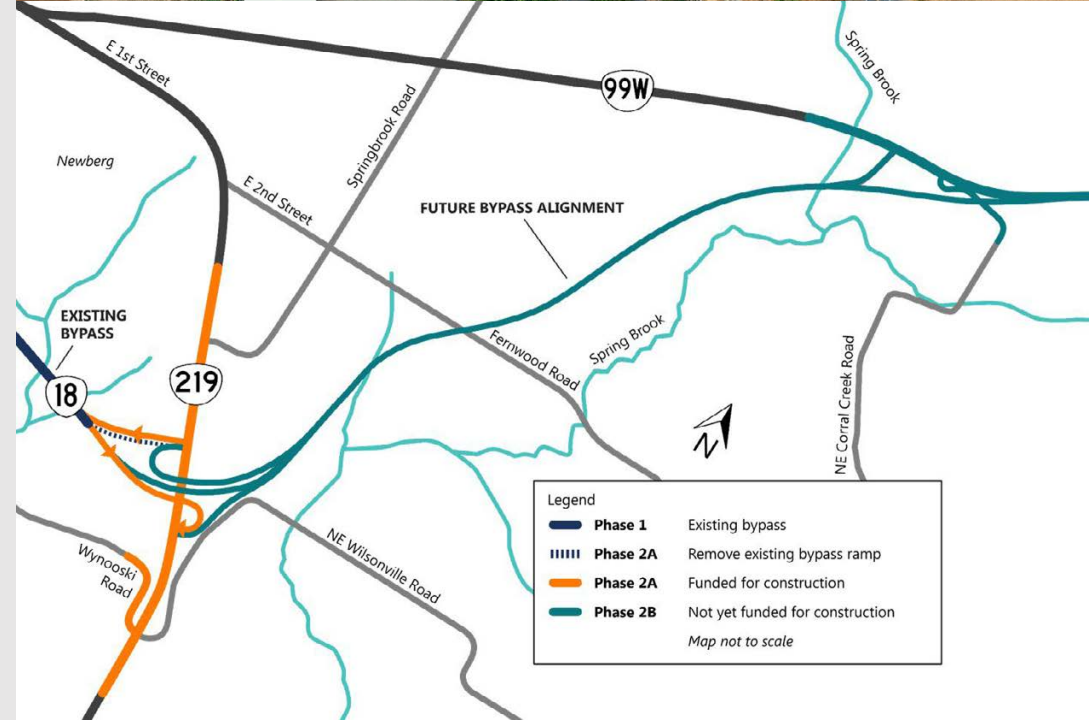
- Design work and selective right of way acquisition for Phase II (OR 219 to OR 99W east of Newberg)

## Funding:

- Dedicated HB 2017 funding: \$22M
- Final total cost: \$37M
  - HB funds intended to partially fund



Aerial photo of project site



# State Hwy 126 Florence-Eugene Highway EIS Study

## Status:

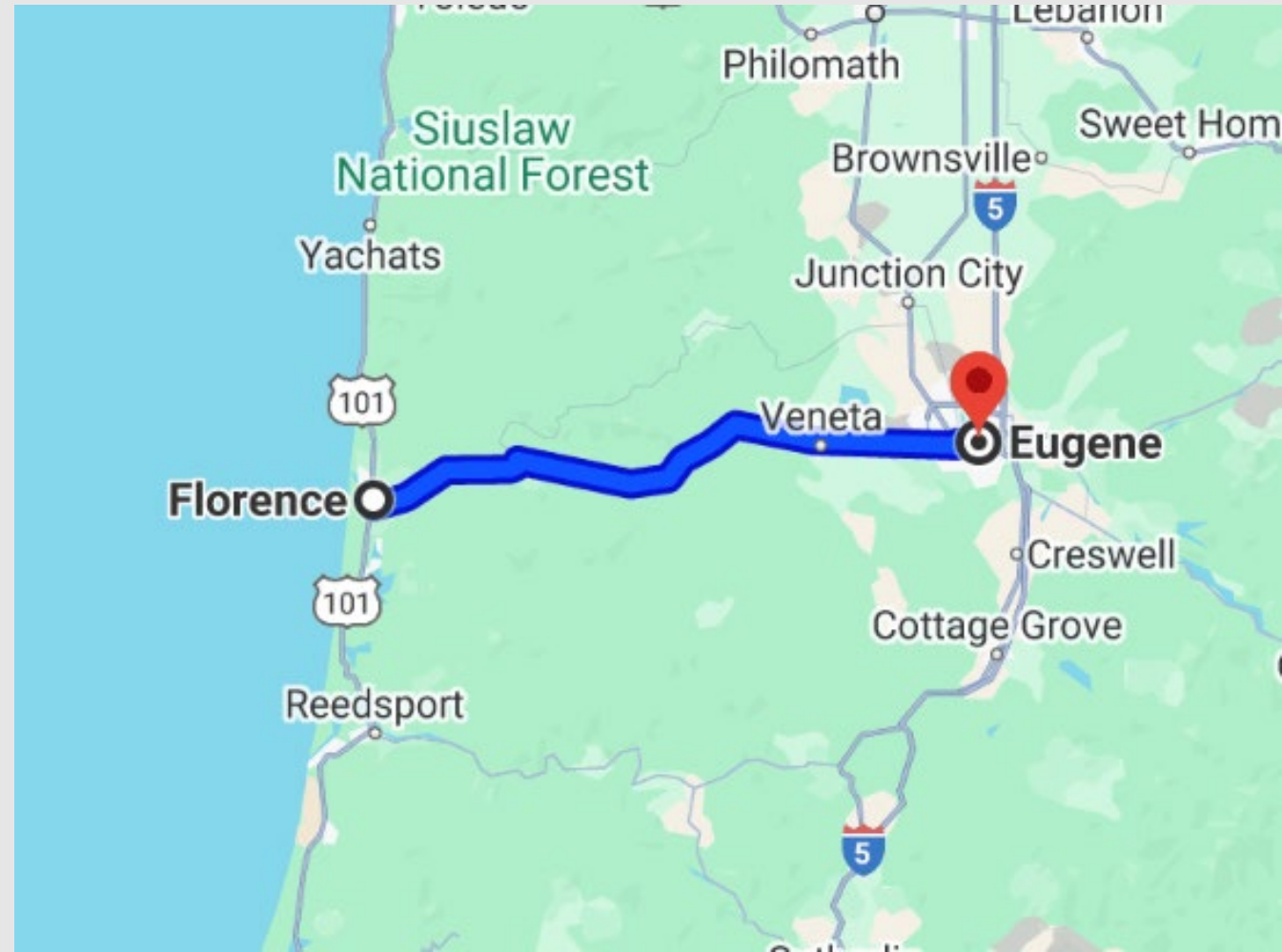
- Complete (2024)

## Project scope:

- Preparing NEPA documents for FHWA & completing design work to support NEPA

## Funding:

- Dedicated HB 2017 funding: \$3M
- Final total cost: \$2.9M





# State Hwy 99E in City of Halsey

## Status:

- Complete (2024)

## Project scope:

- Reconstructed highway
- Installed bike facilities, drainage, ADA compliant sidewalks, and streetscaping

## Funding:

- Dedicated HB 2017 funding: \$13M
- Final total cost: \$17.5M
  - Additional funds added to expand scope for Safe Routes to School, railroad improvements, and to address unanticipated utility and right of way costs



Downtown Halsey  
roadway improvements



# Scottsburg Bridge on OR 38 in Douglas County

## Status:

- Complete (2023)

## Project scope:

- Replaced Scottsburg bridge on new alignment

## Funding:

- Dedicated HB 2017 funding: \$40M
- Final total cost: \$49.5M





# Pedestrian safety and road improvements in City of Prineville

## Status:

- Complete (2024)

## Project scope:

- Pedestrian improvements
- Upgraded signs and signals, sidewalks, and crosswalks
- ADA improvements

## Funding:

- Dedicated HB 2017 funding: \$3M
- Final total cost: \$11.7M
  - At request of the City project was bundled with another funded ODOT project



Aerial view of Prineville

# US 97 & Cooley Road Mid-term Improvements

## Status:

- Complete (2024)

## Project scope:

- Moving US 97 east of current alignment and adjacent to existing railroad
- Improvements to intersection and local street

## Funding:

- Dedicated HB 2017 funding: \$50M
- Final total cost: \$191.5M
  - HB funds intended to partially fund. Additional funding through INFRA grant, Deschutes County, City of Bend, private development, and ODOT





# Tom McCall Road Roundabout

## Status:

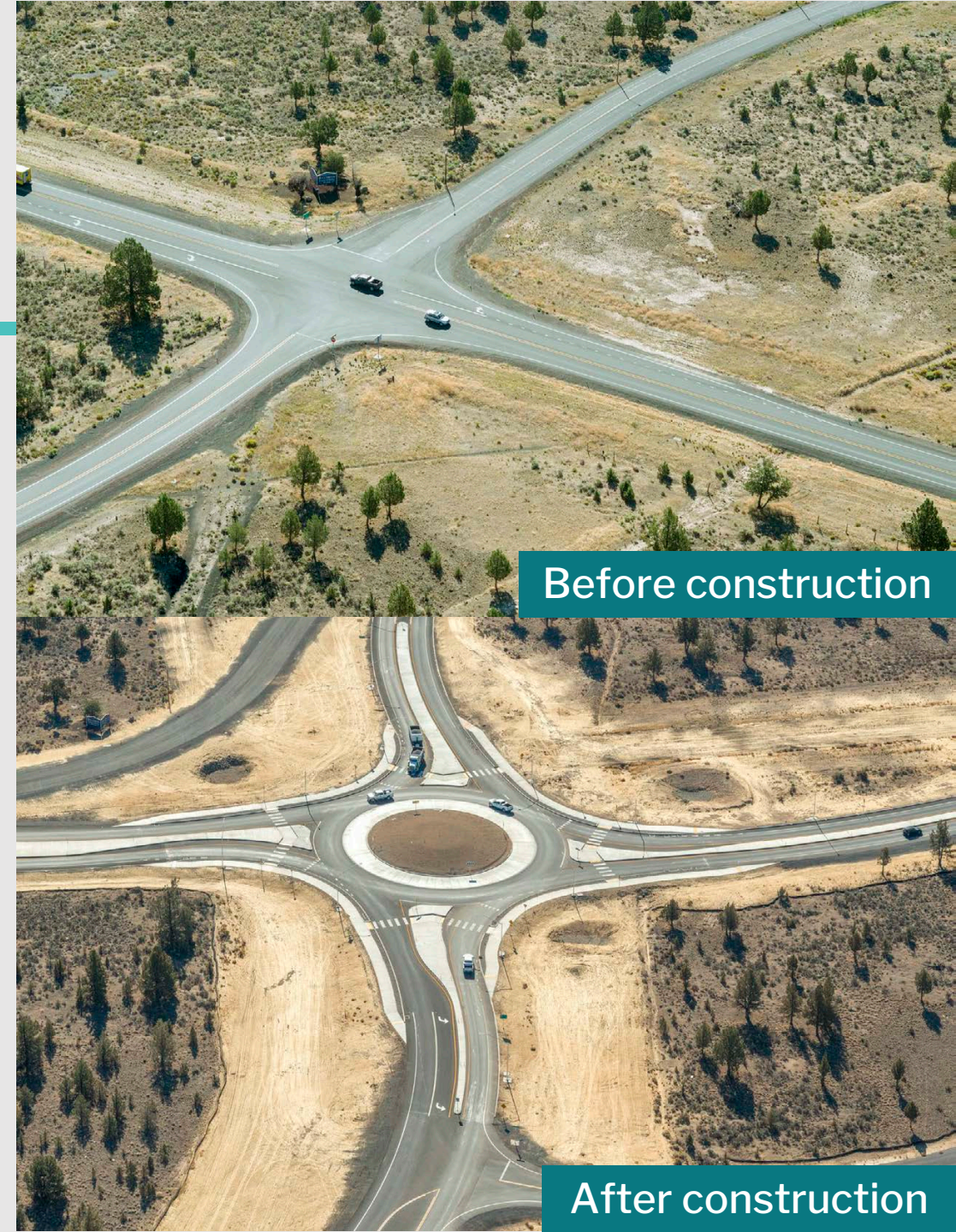
- Complete (2018)

## Project scope:

- Construction of a roundabout at the intersection of OR 126 and Tom McCall Road in the City of Prineville

## Funding:

- Dedicated HB 2017 funding: \$1M
- Final total cost: \$4.8M
  - HB funds intended to partially fund



Before construction

After construction



# US Hwy 20 Freight Mobility Enhancements (Burns to Ontario)

## Status:

- Complete (2024)

## Project scope:

- Safety improvements on US 20
- Widening roadway, intersection safety improvements, and oversized load staging areas

## Funding:

- Dedicated HB 2017 funding: \$10M
- Final total cost: \$17.9M
  - Scope was expanded when bundled with a nearby funded project



Before construction



After construction



# Center Street Bridge

## Status:

- In design
- Scheduled for construction in 2026
- Dedicated HB 2017 funding: \$60M

## Project scope:

- Seismic retrofit major bridge crossing.
- Phase I: east approaches/ramps and main span
- Phase II: west approaches/ramps

## Funding:

- Phase I: Available funding: \$100M  
Total cost (estimated): \$130M - \$200M  
(Funding gap to be addressed from bridge program)
- Phase II: Available funding: \$0  
Total cost (estimated): \$130M - \$190M



Center Street Bridge



# SE Powell Blvd Jurisdictional Transfer (Phase I, II, III)

## Status:

- Phase I constructed
- Phases II & III to begin construction in 2025
- Delivery schedule: estimated completion in 2029

## Project scope:

- Sidewalks, storm water facilities, bike lanes, center turn lane/median, mid-block pedestrian crossings and lighting improvements
- Corridor will transfer to the City of Portland upon project completion

## Funding:

- Dedicated HB 2017 funding: \$110M
- Total cost (estimated): \$158M (*Phase II and III*)
  - Additional funds added through ODOT, Great Streets program, and City of Portland to address expanded scope, higher right of way costs, and risk management





# State Hwy 58, passing lanes west of Oakridge

## Status:

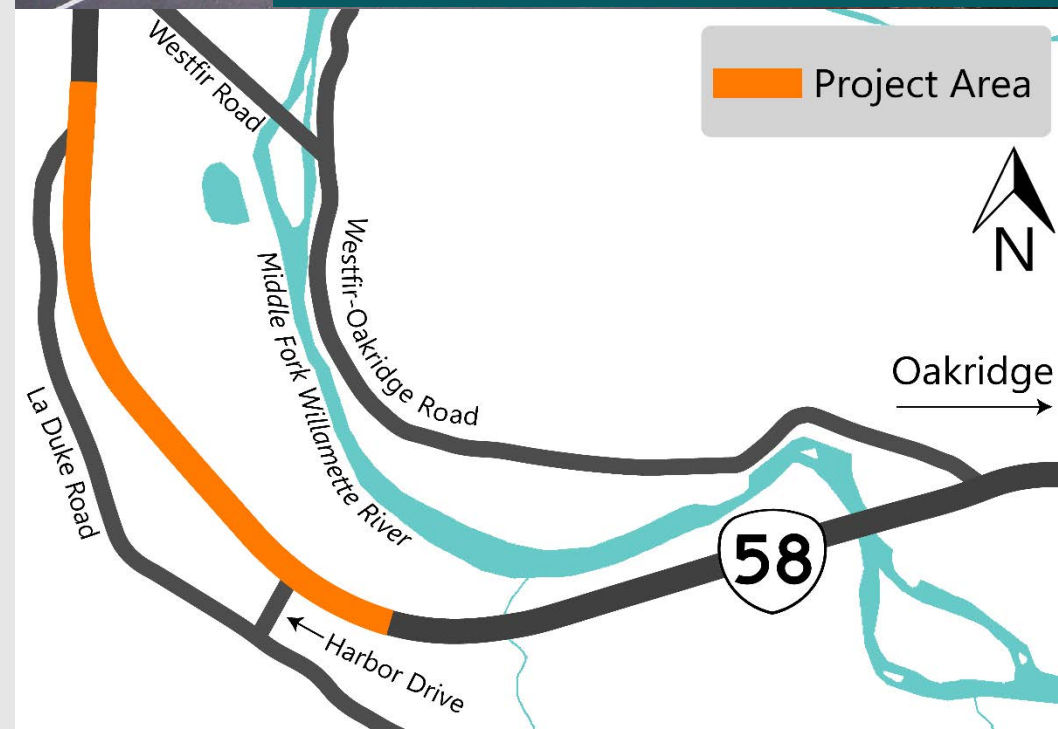
- Pending
- Delivery schedule: Construction delayed; under reassessment

## Project scope:

- Construct westbound passing lane

## Funding:

- Dedicated HB 2017 funding: \$7.2M
- Total cost (estimated): \$14M - \$18M



# Southern Oregon Seismic Triage

## Status:

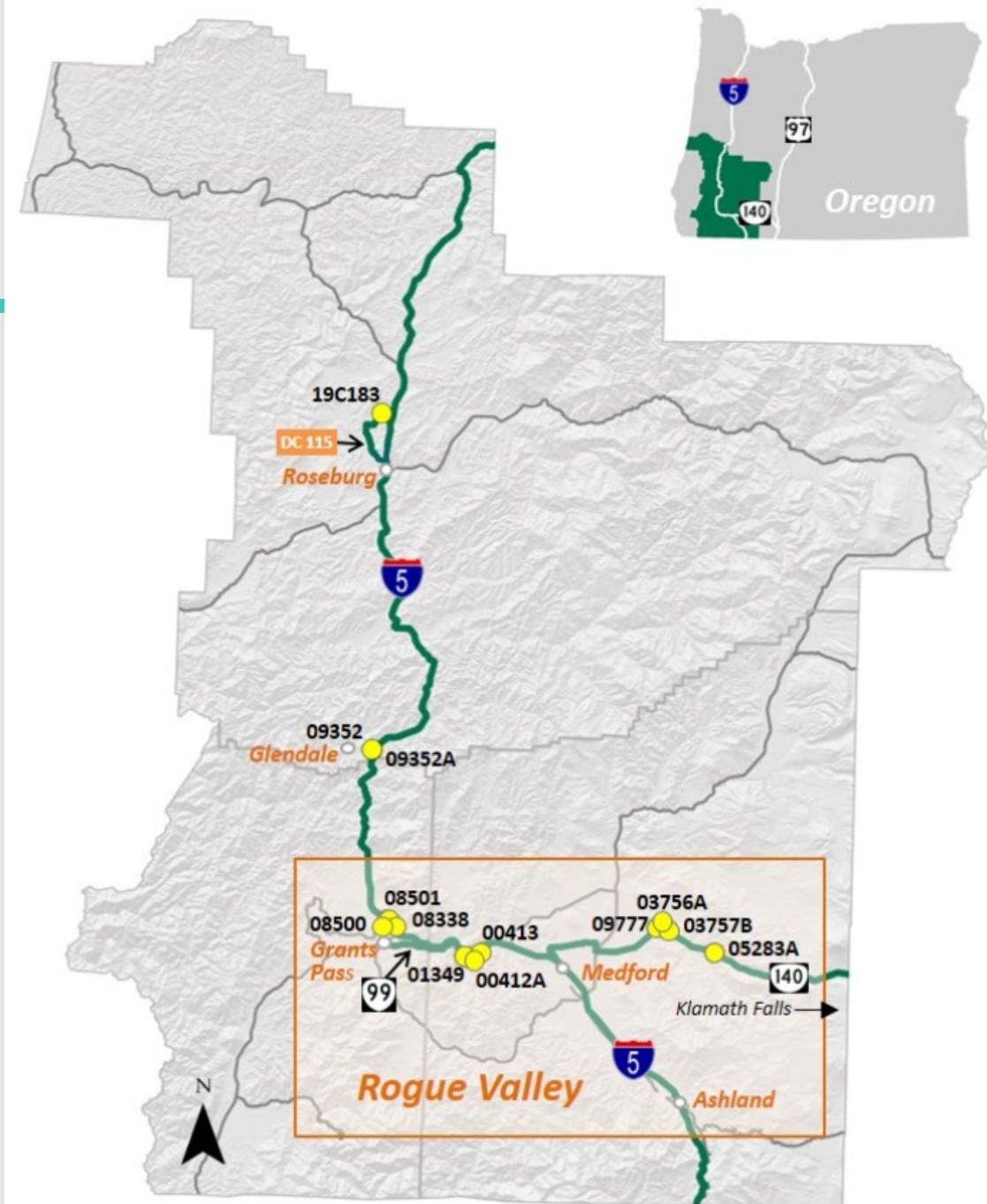
- Under construction
- Delivery schedule: estimated completion in 2025

## Project scope:

- Seismic upgrades on 13 bridges and 3 hillside slopes
- Securing seismically resilient triage-level route

## Funding:

- Dedicated HB 2017 funding: \$35M
- Total cost (estimated): \$50M
  - HB 2017 intended to fully fund but bridge conditions were more deteriorated than expected. Scope was reduced to address funding limitations





# US 97 at Terrebonne

## Status:

- Under construction
- Delivery schedule: Estimated completion in 2026

## Project scope:

- Safety improvements
- Improve pedestrian crossings and overpass

## Funding:

- Dedicated HB 2017 funding: \$20M
- Total cost (estimated): \$39M
  - Additional funds provided by Deschutes and Jefferson counties



Aerial view of US 97 at Terrebonne

# OR30 & Hughes Lane Intersection (Baker County)

## Status:

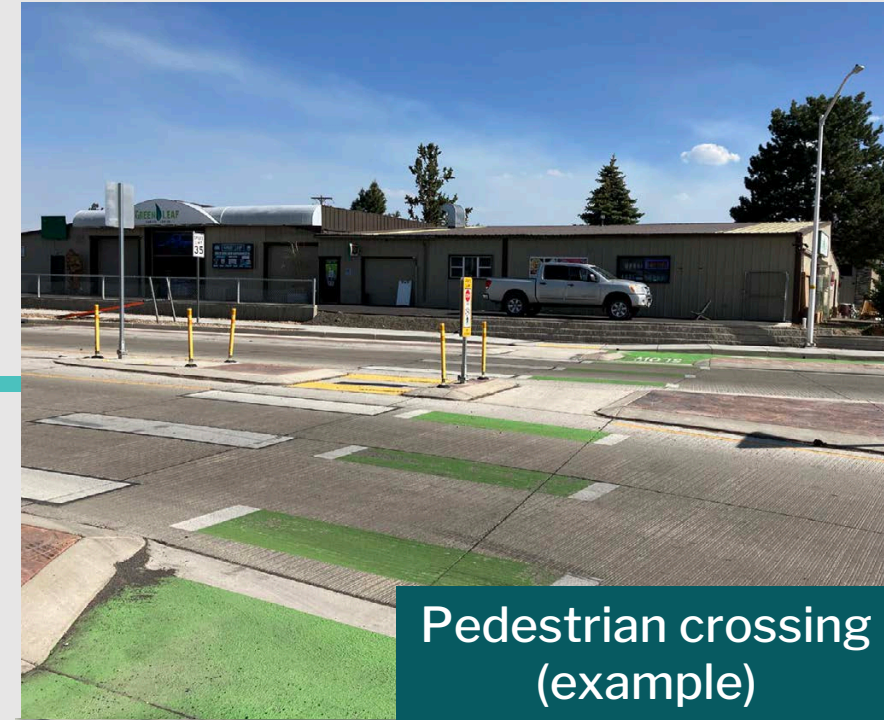
- Under construction
- Delivery schedule: Estimated completion in 2025

## Project scope:

- Safety improvements at U.S. 30/Hughes Lane intersection
- Improve bicycle and pedestrian facilities, improve freight mobility

## Funding:

- Dedicated HB 2017 funding: \$5.8M
- Total cost (estimated): \$12M
  - Additional funds added to address ADA curb ramp replacements



Pedestrian crossing (example)



Aerial view of project site (pre-construction)



# Safe Routes to School

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# Safe Routes to School Program Overview

- HB 2017 established Oregon's **Safe Routes to School (SRTS) Construction Program**
- **Improve access** so students can safely bike and walk to school
- **HB 2017** provided **\$10 million per year** beginning in 2018 and **\$15 million per year** beginning in 2023
- Additional **Infrastructure Investment and Jobs Act funds** allocated by the Oregon Transportation Commission
- SRTS is **over-subscribed** over 2.5:1
- New in 2025: some grantees are eligible for **10.27% or 0% local cash match**





# SRTS Program Delivery

## SRTS Projects (2019-26)

- 104 construction projects using HB 2017 funds
  - 47 complete
  - 26 in construction
  - 31 in design

## 2025-26 Competitive Cycle

- Received 89 applications for \$138.2M in funding
- \$31M awarded to 28 projects



# Connect Oregon

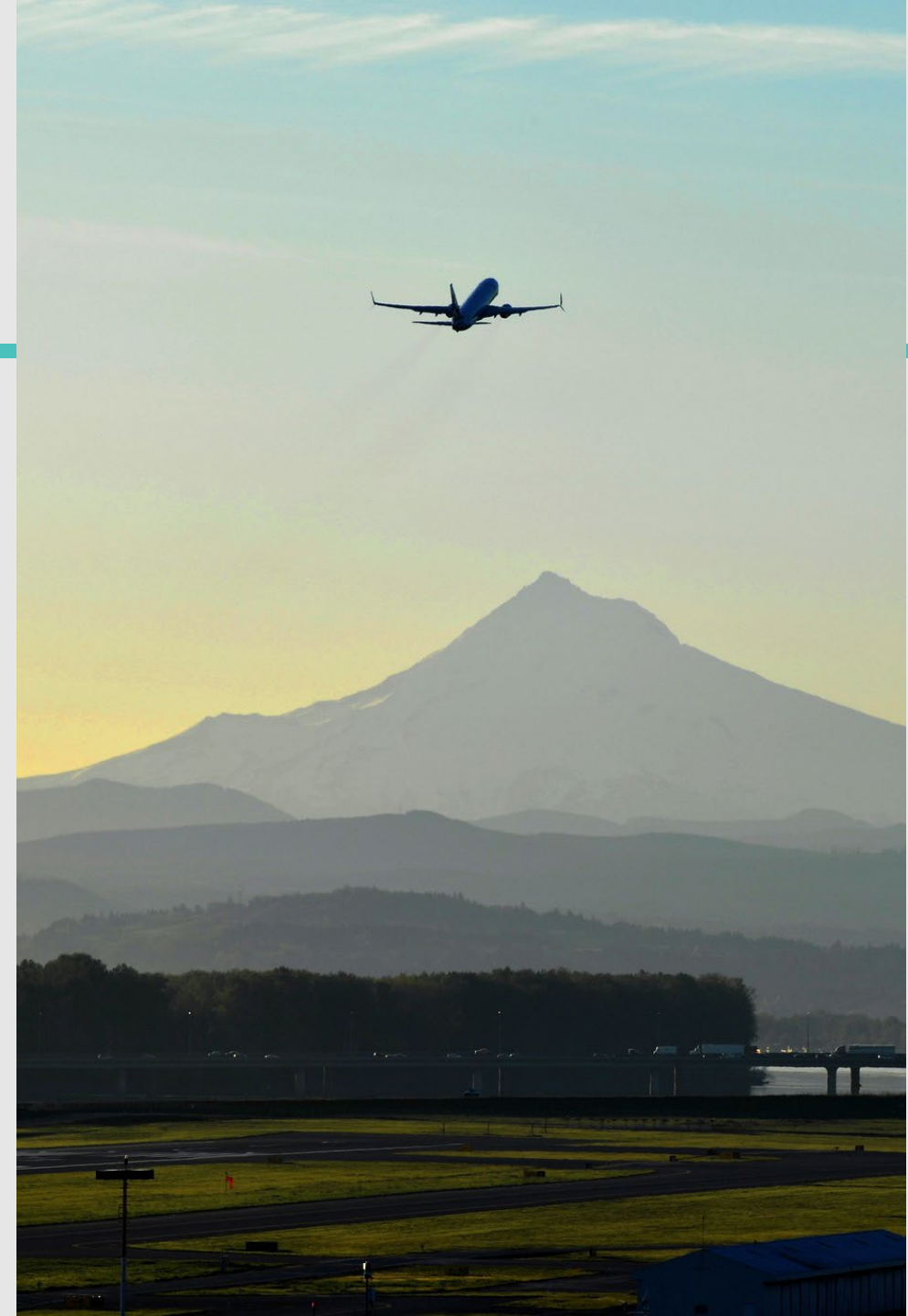
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# HB 2017 Changed Connect Oregon

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- The 2005 Legislature created the **Connect Oregon** program to **invest in non-highway modes of transportation**
- Today, Connect Oregon funds **aviation, marine, and rail** transportation projects
- The program is **unique to Oregon** and receives no federal funding
- **HB 2017 created dedicated funding** through the Light Vehicle Dealer Privilege Tax, making Connect Oregon a permanent program
- **45% of privilege tax funds** allocated to DEQ for EV rebates, minimum of \$12 million annually
- HB 2017 enables a **~\$50M competitive cycle**
- HB 2017 statutorily dedicated **4 Connect Oregon projects**



# Connect Oregon – HB 2017 Named Projects



Port of Morrow

Status: Complete  
Cost: \$6.5 million



Oregon City Siding

Status: Canceled  
Cost: (\$2.1 million)



Millersburg (Mid-Willamette)

Status: Complete  
Cost: \$25 million



Treasure Valley

Status: In construction  
Cost: \$26 million



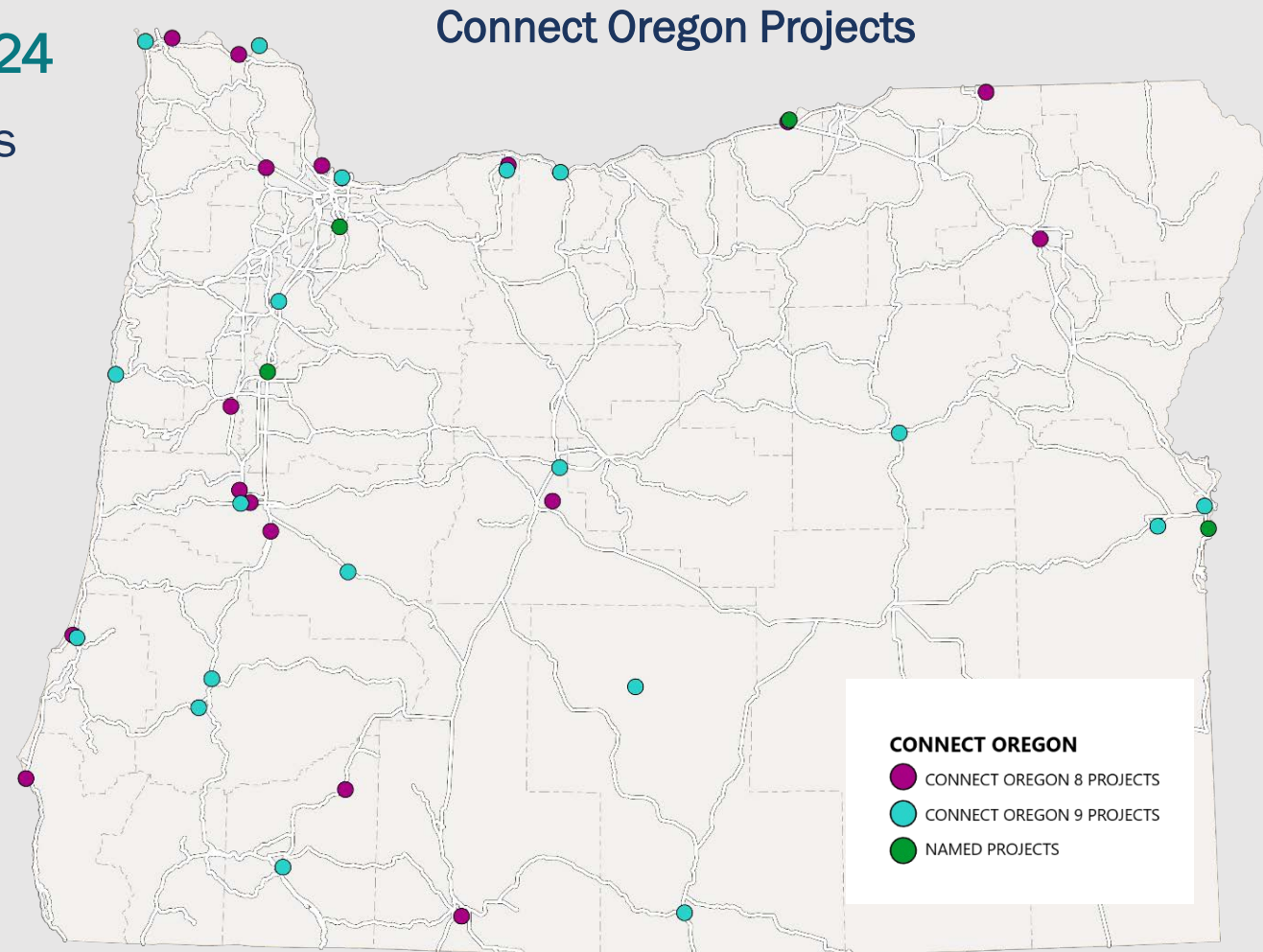
# Connect Oregon Projects

## 8 competitive cycles between 2005 - 2024

- Over \$510 million awarded to 240 projects

## Connect Oregon 9 (October 2024)

- \$100 million requested
- \$48 million awarded to 19 projects
- Over-subscribed by over 2:1
- Awarded projects working through grant agreements with ODOT



# Statewide Transportation Improvement Fund

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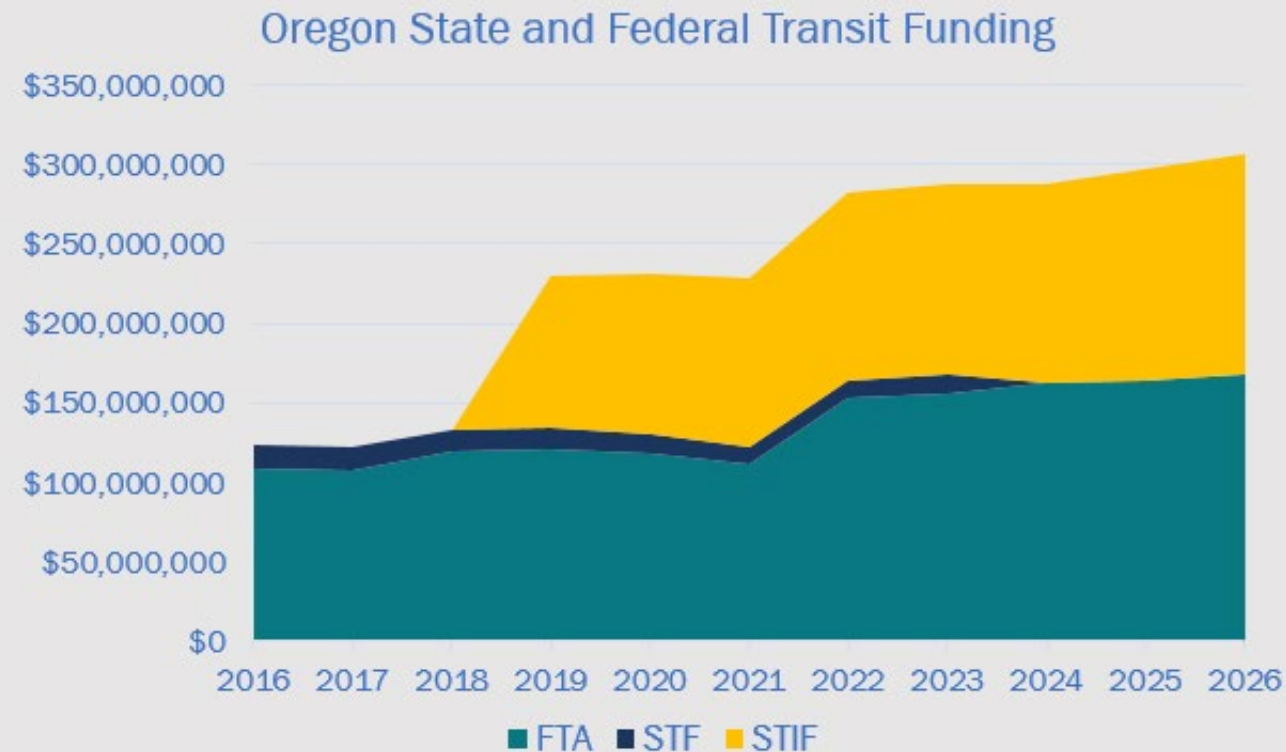
# STIF Program Overview

- HB 2017 created the **Special Statewide Transportation Improvement Fund (STIF)** with a 0.1% employee payroll tax
  - **Formula:** Expand, improve, and maintain public transportation (90% of funding)
  - **Discretionary:** Competitive grants to expand and improve public transportation (5%)
  - **Intercommunity:** Competitive grants to improve coordination and connectivity of statewide transit (4%)
  - **Special Technical Resource Center:** Planning and training (1%)
- **Special Transportation Fund** merged with STIF (2023)
- **Payroll Tax** responds to economy and goes where collected



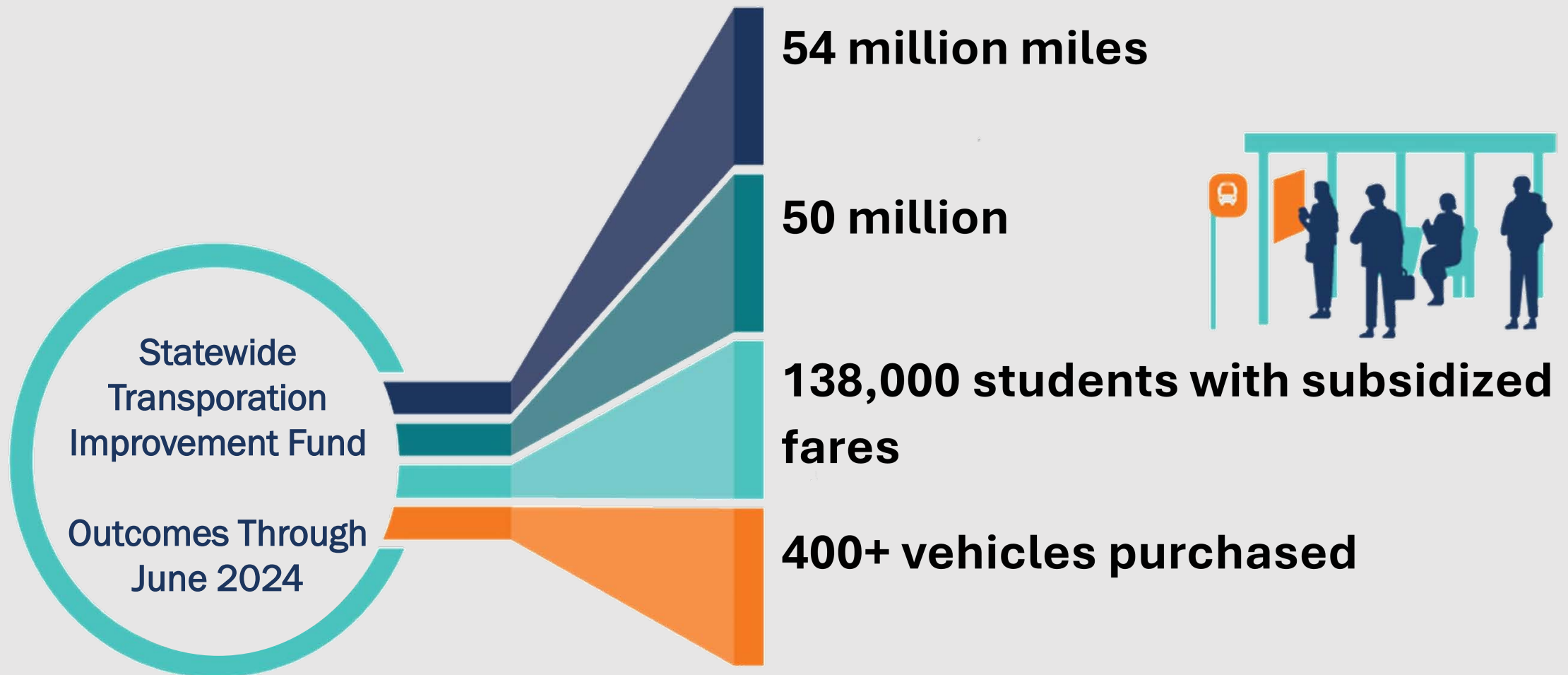
# Transit Funding

- **Federal Funds** go to large urban providers directly and small urban and rural funds distributed through ODOT
- The **Statewide Transportation Improvement Fund** created in HB 2017 provides state funds
- Both include **formula** and **discretionary** funds





# Expanding and Enhancing Oregon's Transit System



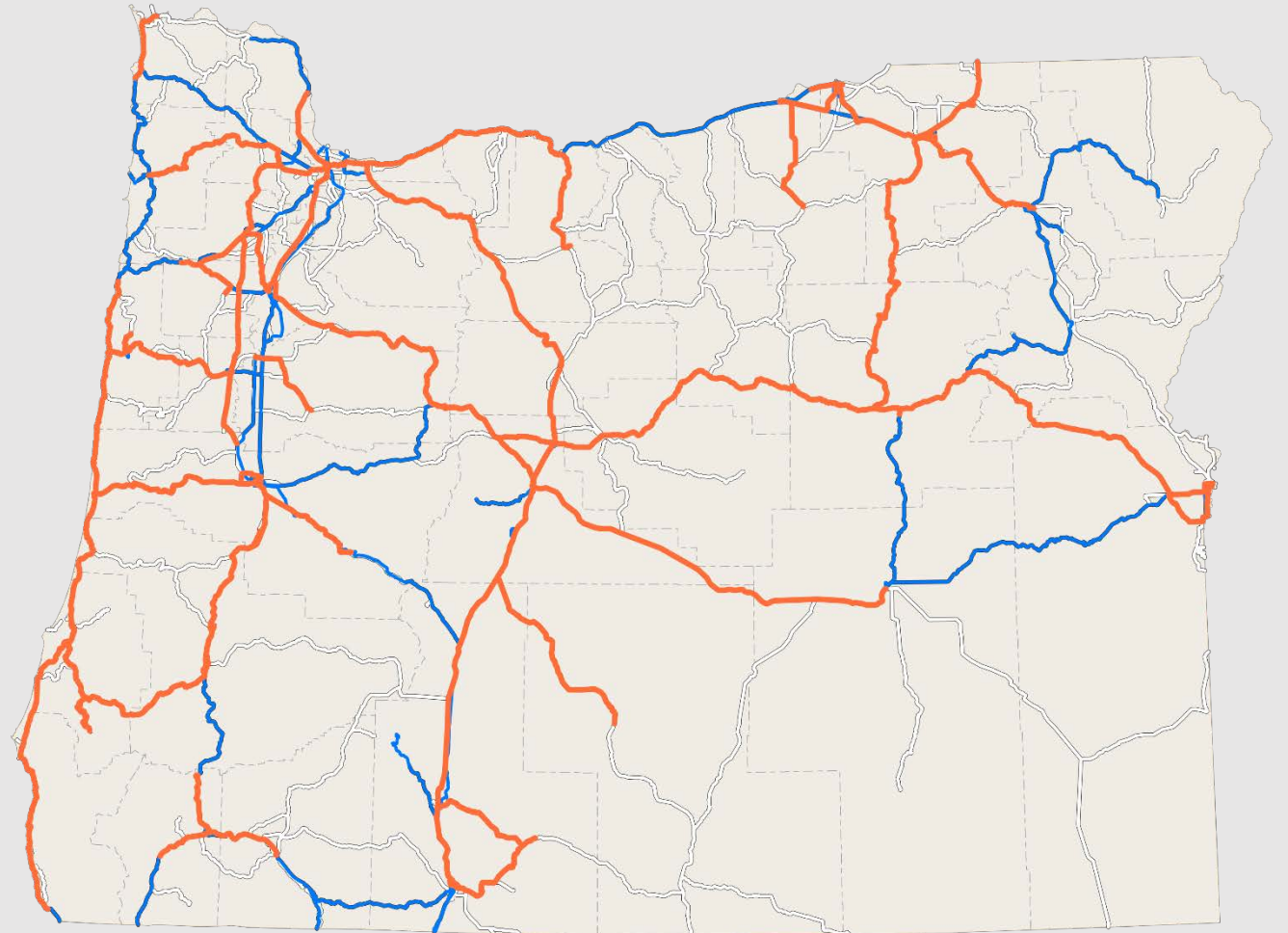
# Transit Routes Made Possible with STIF Funding



Oregon Intercity Transit Network  
FY 2023 - 2025



STIF Funded Routes





# Urban Mobility Strategy

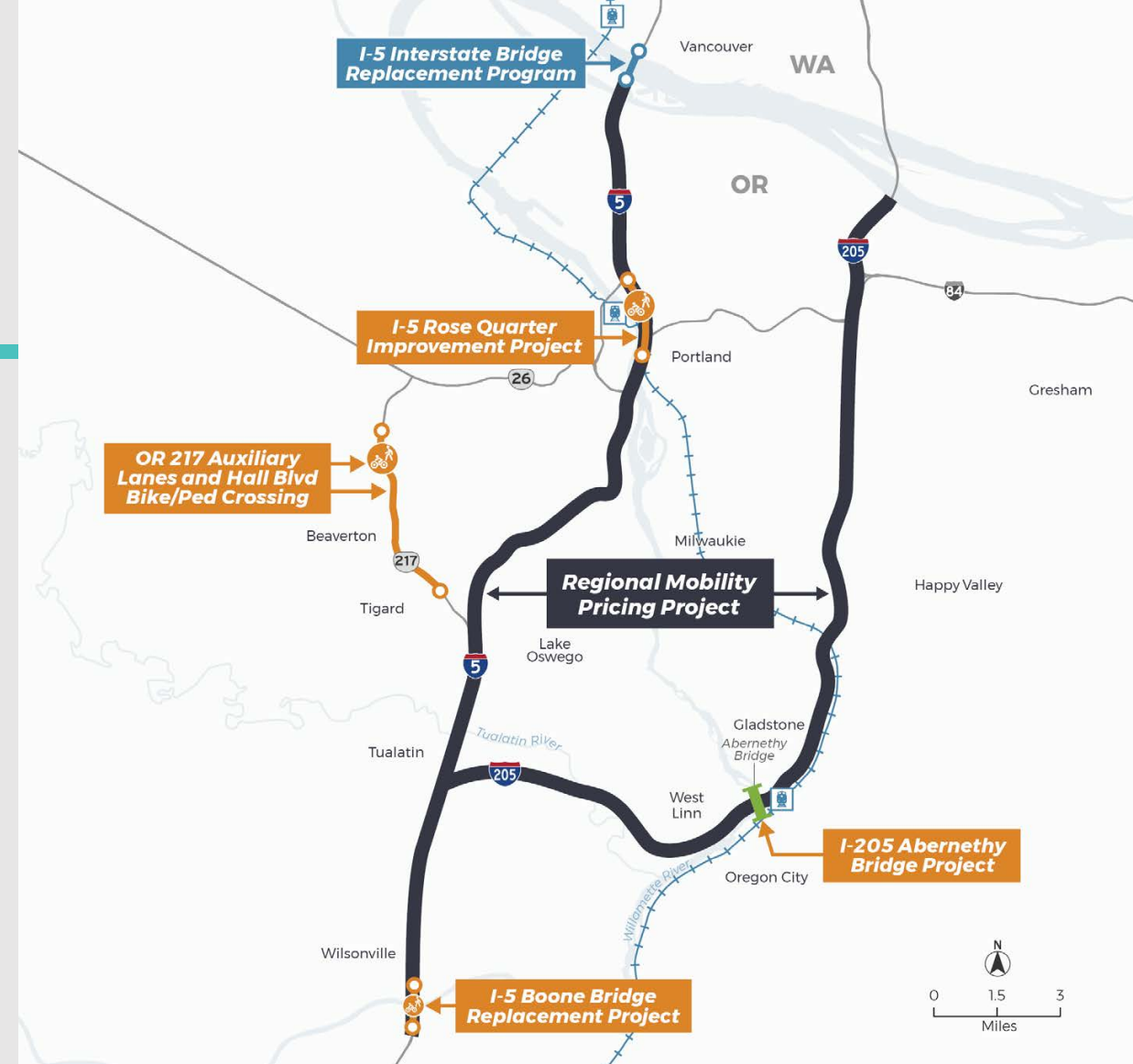
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# Urban Mobility Strategy

The **Urban Mobility Strategy** was developed to reduce congestion, improve safety, and modernize our aging transportation system.

## Urban Mobility Strategy projects directed by HB 2017:

- I-205 Improvements Project
- I-5 Rose Quarter Improvement Project
- OR 217 Auxiliary Lanes
- Oregon Toll Program



## Urban Mobility Strategy Map

### ODOT Projects

System Improvement Project

Bike/Pedestrian Crossing Project

Regional Mobility Pricing Project\*

I-205 Toll Project

### Partner Project with ODOT Support

System Improvement Project

Amtrak Cascades - Expanded daily service between Portland and Seattle

\* The exact locations where tolls will be applied on I-5 and I-205 as part of the Regional Mobility Pricing Project will be determined during the federal National Environmental Policy Act (NEPA) process.



# OR 217 Auxiliary Lanes

## Status:

- Under construction
- Estimated completion in 2025

## Project scope

- Improve safety and reduce bottlenecks on OR 217
- Bicycle/Pedestrian network improvements
- Partnership with City of Beaverton and Washington County

## Funding:

- Dedicated HB 2017 funding: \$98M
- Total cost (estimated): \$174M
  - Scope increased to address bicycle connection with funds added by City of Beaverton. Additional funding also required to address changes in environmental permitting, unanticipated conditions during construction, and project management challenges





# I-205 Improvements Project

## Status:

- Phase I (Abernethy Bridge): In construction
- Phase II (I-5 to OR 213): Indefinitely postponed

## Project scope:

- Seismic upgrades, bridge widening, improving nearby on- and off-ramps, improving local bike and pedestrian routes

## Funding:

- Dedicated HB 2017 funding: \$0
- Phase I: Available funding: \$815M  
Total cost (estimated): \$815M
- Phase II: Available funding: \$0  
Total cost (estimated): \$700M - \$800M



Before Construction



During Construction



# I-5 Rose Quarter Improvement Project

## Status:

- Project received federal environmental approval in March 2024
- Project design ranges from 30% to 90% completion
- In December 2024, the OTC provided additional \$250 million to begin construction

## Project scope:

- 1.8 mile stretch of I-5 in the Rose Quarter area
- Auxiliary lanes and full shoulders to I-5, redesigning overpasses, highway cover, reconnecting neighborhood streets, and enhancing public spaces

## Funding:

- Dedicated HB 2017 funding: \$30M annually beginning in 2022
- Available funding: \$850M
- Total cost (estimated): \$1.7B - 1.9B (December 2024)



# Oregon Toll Program

“After seeking and receiving approval from the Federal Highway Administration, **the commission shall implement value pricing** to reduce traffic congestion. Value pricing may include, but is not limited to, variable time-of-day pricing. **The commission shall implement value pricing** in the following locations: (a) On Interstate 205, beginning at the Washington state line and ending where it intersects with Interstate 5 in this state. (b) On Interstate 5, beginning at the Washington state line and ending where it intersects with Interstate 205.”

*HB 2017 Section 120*

## Status:

- Toll Program was paused in March 2024
- Efforts to implement tolling on IBR continue in collaboration with the State of Washington





# Where We Are Today

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## The Legacy of HB 2017

- HB 2017 has strengthened, improved, and modernized Oregon's transportation system
- HB 2017 started the trend and set the stage for future action
- While most investments have been delivered, great need remains
- HB 2017 increased State Highway Fund resources but won't keep pace with rising costs
- With funding projected to flatten, structural challenges threaten immediate operations and Oregon's long-term future

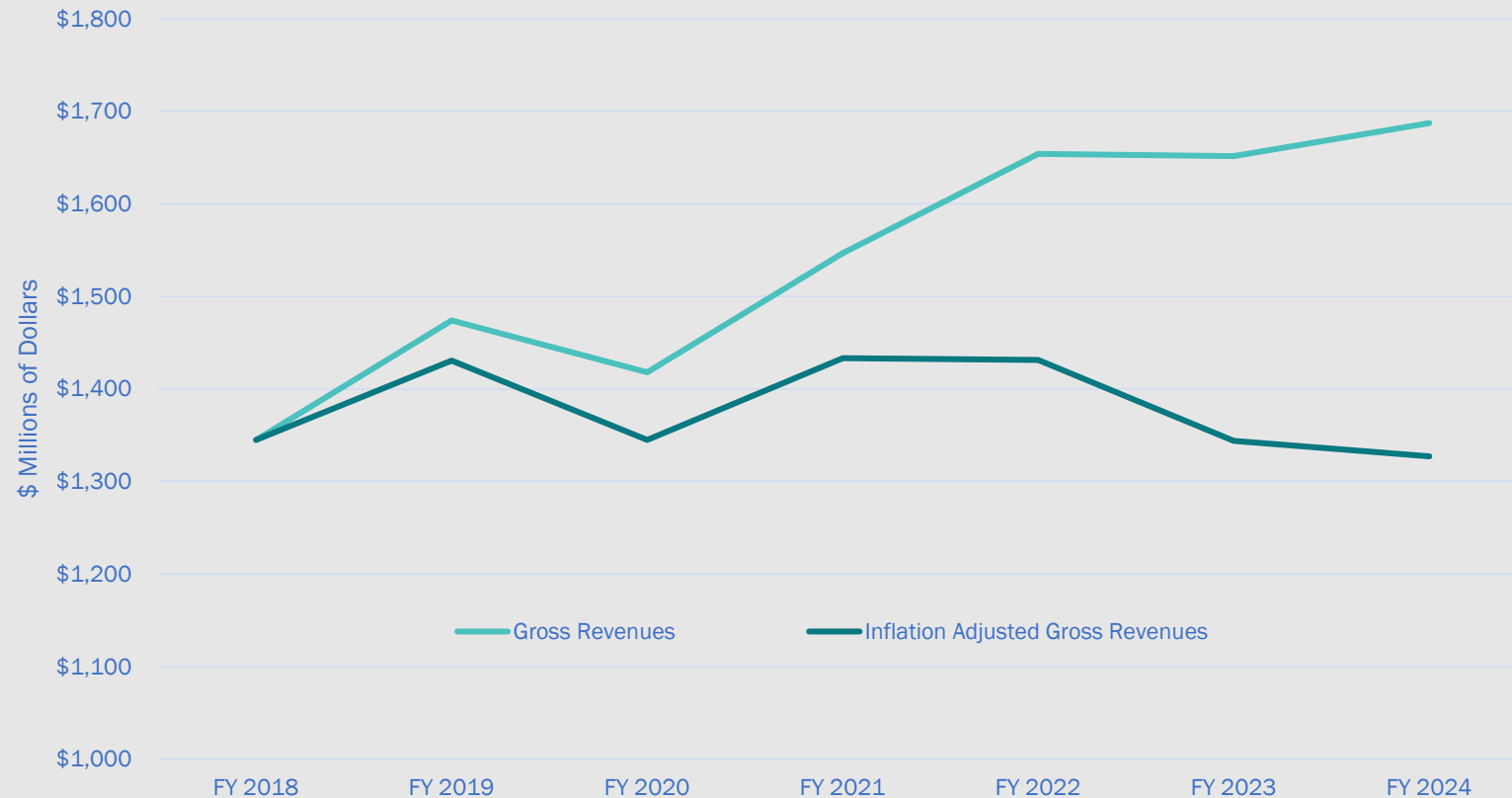




# State Highway Fund Challenges

- **Inflation erodes** all State Highway Fund revenue streams
- Growing fuel efficiency is making the **fuels tax less reliable**
- **State and federal law restrict** how available funding can be spent
- ODOT faces a **significant structural shortfall** for operations and maintenance now and into the future

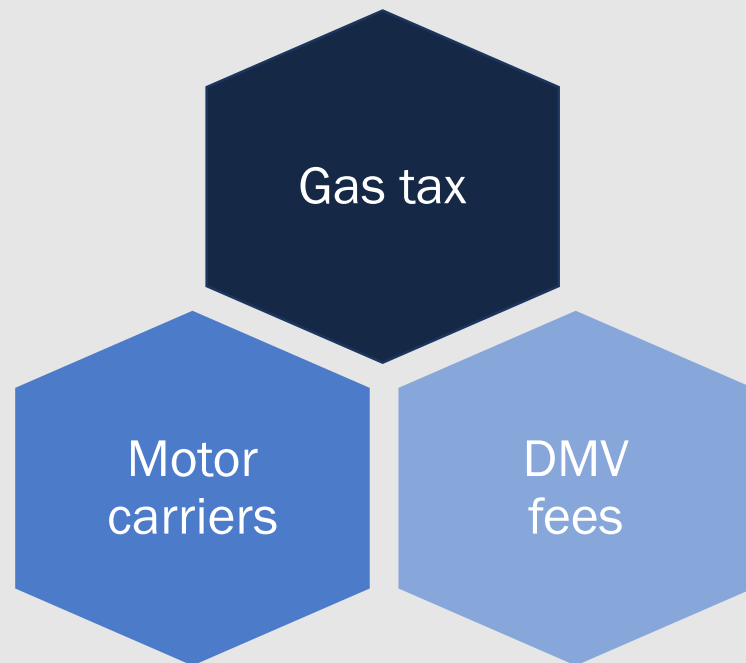
Gross State Highway Fund Revenues



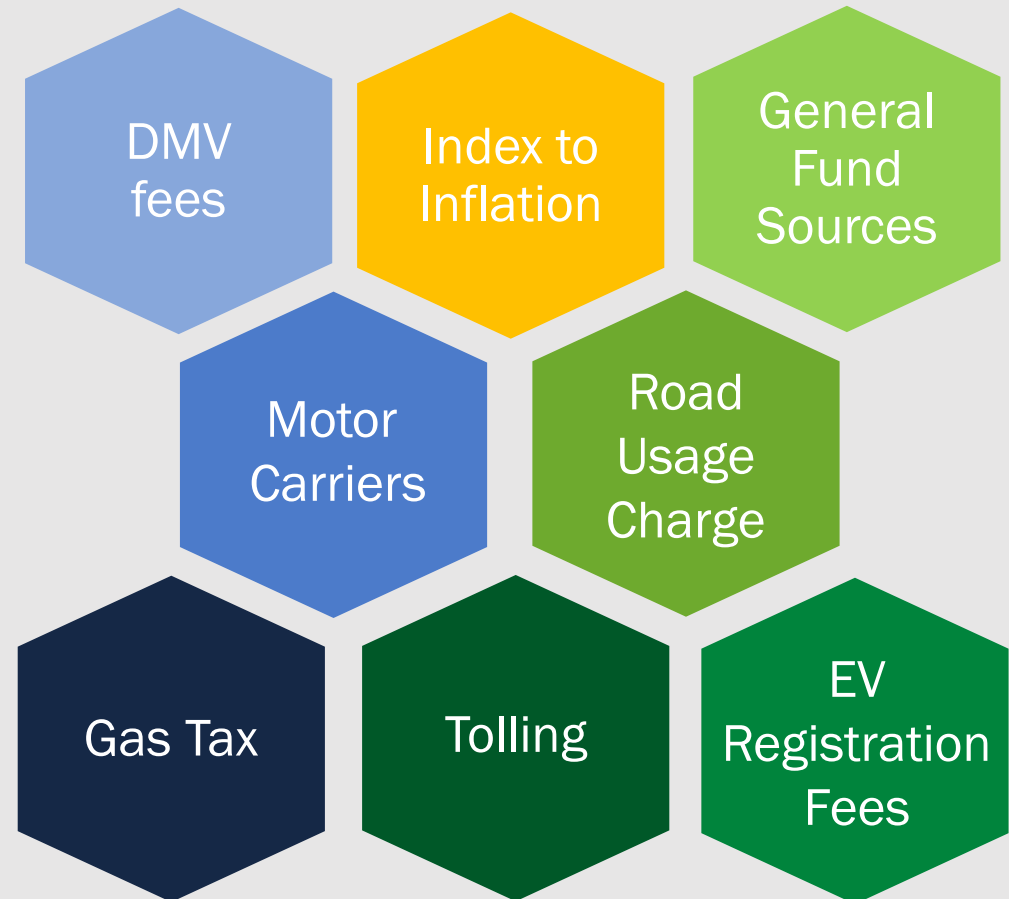
# A More Diversified Revenue Portfolio

Sufficient and sustainable funding is key to maintaining and modernizing our transportation system

## State Highway Fund Revenue Today



## Some Options for the Future





# Thank You

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