

SB 1182 -2, -3, -4 STAFF MEASURE SUMMARY

Joint Committee On Transportation

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Meeting Dates: 5/12, 5/19, 5/20

WHAT THE MEASURE DOES:

The measure allows the Oregon Department of Transportation to grant, sell, or lease surplus property from the Interstate 5 Rose Quarter Project to Albina Vision Trust, Inc. The measure sunsets January 2, 2030.

ISSUES DISCUSSED:

- Background and overview of the Interstate 5 Rose Quarter Project
- History of the Albina neighborhood
- Partnership between Albina Vision Trust and Portland Trail Blazers
- Financial sources for land purchases on project
- Public Private Partnerships on project
- Previous efforts to revitalize area
- Whether there would be any impact on State Highway Fund

EFFECT OF AMENDMENT:

-2 The -2 amendment replaces the original measure, stipulating that following the completion of the Interstate 5 Rose Quarter Project, the Oregon Department of Transportation (ODOT) may, in cooperation with the Department of Administrative Services, City of Portland, and neighborhood organizations that serve the city, develop proposal(s) for the best use of surplus property related to the project. It specifies that such proposals may include offering property for gift, sale, or lease for any or no consideration, subject to constitutional limitations on the use of property acquired or developed with State Highway Fund moneys.

The amendment directs ODOT to report to interim transportation committees on any such proposal.

The amendment declares that property made part of a proposal under this section is not subject to any provision of ORS 270.100 - 270.190 or ORS 366/395(1).

The amendment requires subsequent legislation to implement a proposal adopted under this section.

The amendment maintains the base measure's sunset date of January 2, 2030.

FISCAL: Minimal fiscal impact on measure 2/the -2 amendment

REVENUE: Indeterminate revenue impact on measure w/the -2 amendment

-3 The -3 amendment modifies terms of potential transfer of state interest in real property to include only sale or lease for consideration.

FISCAL: Minimal fiscal impact on measure 2/the -3 amendment

REVENUE: Indeterminate revenue impact on measure w/the -3 amendment

-4 The -4 amendment modifies terms of potential transfer of state interest in real property to include only sale or lease for consideration, deletes reference to U.S. Department of Transportation Reconnecting Communities Pilot Program and replaces with "moneys not from the State Highway Fund," and changes the sunset date to January 2, 2040.

FISCAL: Minimal fiscal impact on measure 2/the -4 amendment

REVENUE: Indeterminate revenue impact on measure w/the -4 amendment

BACKGROUND:

The Interstate 5 Rose Quarter (RQ) Project was initiated with passage of House Bill 2017 (2017), which included the project on its list of major projects of statewide importance, along with strengthening and widening Interstate 206 between Oregon City and its confluence with Interstate 5. The RQ project was initially envisioned as a freeway widening project in one of the most severe bottlenecks on the interstate highway system, at a location south of the Moda Center where there is only travel in two lanes in each direction. The project was initially estimated to cost about \$550 million; however, during the project's development, the RQ project became a much more significant undertaking, now involving improvements to several interchanges, multimodal local street improvements, a new roadway crossing at Hancock Street, pedestrian and bicycle bridges, and, most significantly, a highway cover that will reconnect local streets and community spaces above Interstate 5. The estimated cost of the project now stands at nearly \$2 billion, meaning that a significant percentage of the planned project remains unfunded.

Albina Vision Trust LLC is a nonprofit, 501(c)(3) organization that was formed to help influence the Rose Quarter Project. The organization is driven by the past history of the construction of Interstate 5 through the Rose Quarter, which, at the time it was constructed, bisected and devastated one of Portland's largest Black communities. A major impetus for the expansion of the RQ Project has been to provide some level of restoration of the community that was affected years before.

Senate Bill 1182 allows the Oregon Department of Transportation to grant, sell, or lease real property that remains following the project's completion, to include: any and all properties under the state's interest that was acquired or developed with moneys provided by the U.S. Department of Transportation's Reconnecting Communities Pilot Program, or for sale or lease at fair market value any or all of the state's interest acquired or developed with State Highway Fund moneys.