

OREGON INNOVATIVE PARTNERSHIPS PROGRAM

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Creation of the Partnership Program in Oregon

- 2001 Legislature directed ODOT to explore public-private partnerships
- 2002 Innovative Finance Advisory Committee (IFAC)
- 2003 IFAC report basis for SB 772

Unique Legislation Provides Exceptional Opportunities

Only Projects that meet the goals of the legislation will be executed through OIPP, OTC must designate

- Increase Project Delivery Speed
- Create Innovative Project Development
- Access to new Revenues and Financing Arrangements

Tools Available under OIPP

- Receive Solicited and Unsolicited Proposals
- Contracting at the Conceptual Stage
- Qualifications-based / A Best Value Procurement
- Protects Proprietary Information

Philosophy of OIPP

- Create True Partnerships ranging from Oregon-based firms to International Developers to other Public Entities
- Create and Maintain Cooperative, Open Process
- Risk Management Balance
- Create Structure without Losing Innovation and Flexibility
- Ongoing Evaluation of Processes

OIPP – Depth of Potential Applications

- “Transportation project” means “any proposed or existing undertaking that facilitates any mode of transportation in this state.”
- Applies to Roads, Bridges, Rail, Ports, Pipelines, Telecommunications, Transmissions, anything that facilitates transport of people, goods, services, information

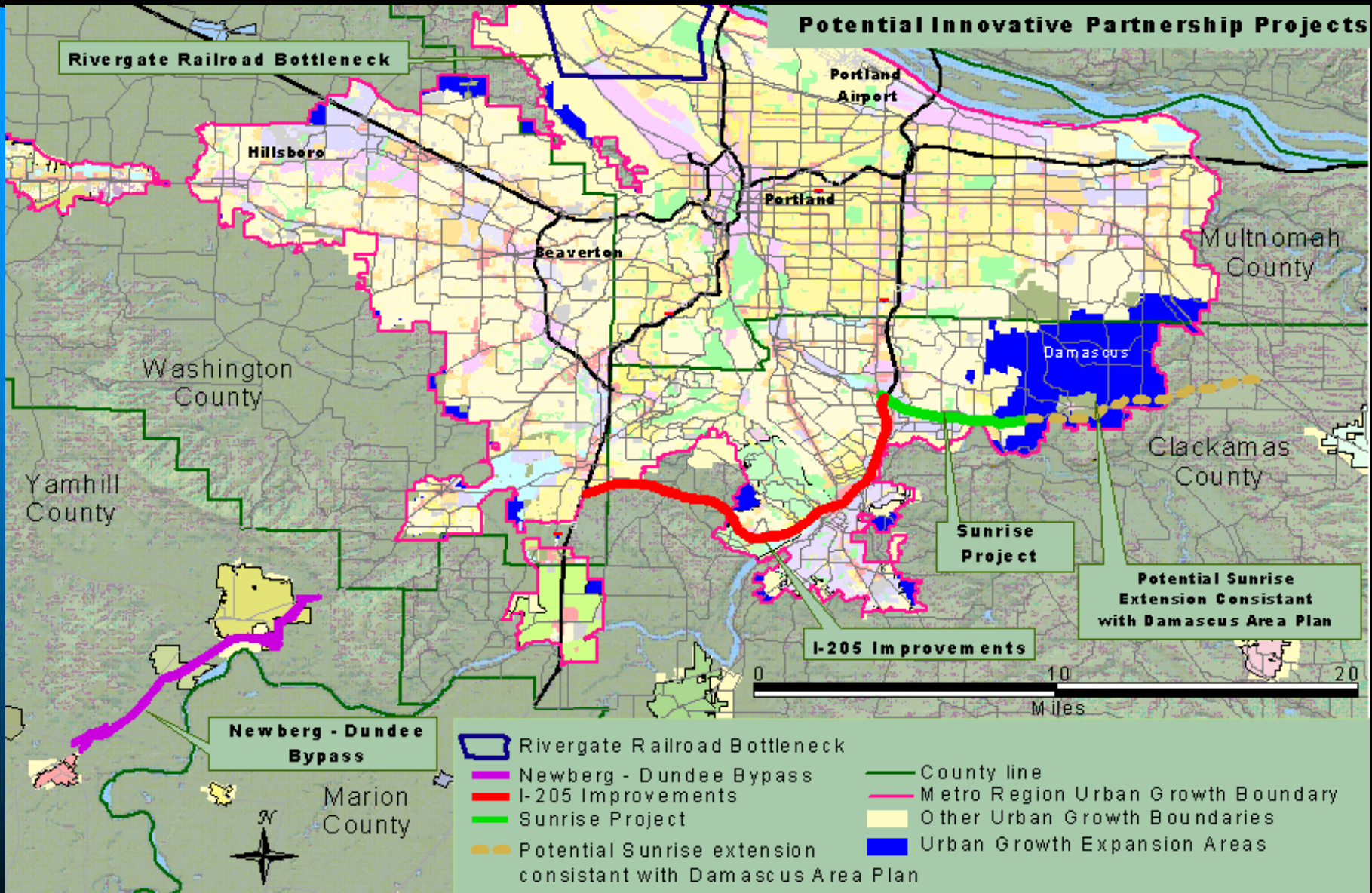
OIPP – Breadth of Potential Applications

- Jurisdictional Applications
 - State Projects
 - Interstate Projects
 - City and County Projects
 - Port Projects

Projects Recommended for Initial Solicitation

- 1. The Sunrise Project**
- 2. South I-205 Corridor Improvements**
- 3. Newberg-Dundee**
- 4. Maintenance Facilities (Statewide)**
- 5. Rivergate Railroad Bottleneck**

Potential Innovative Partnership Projects

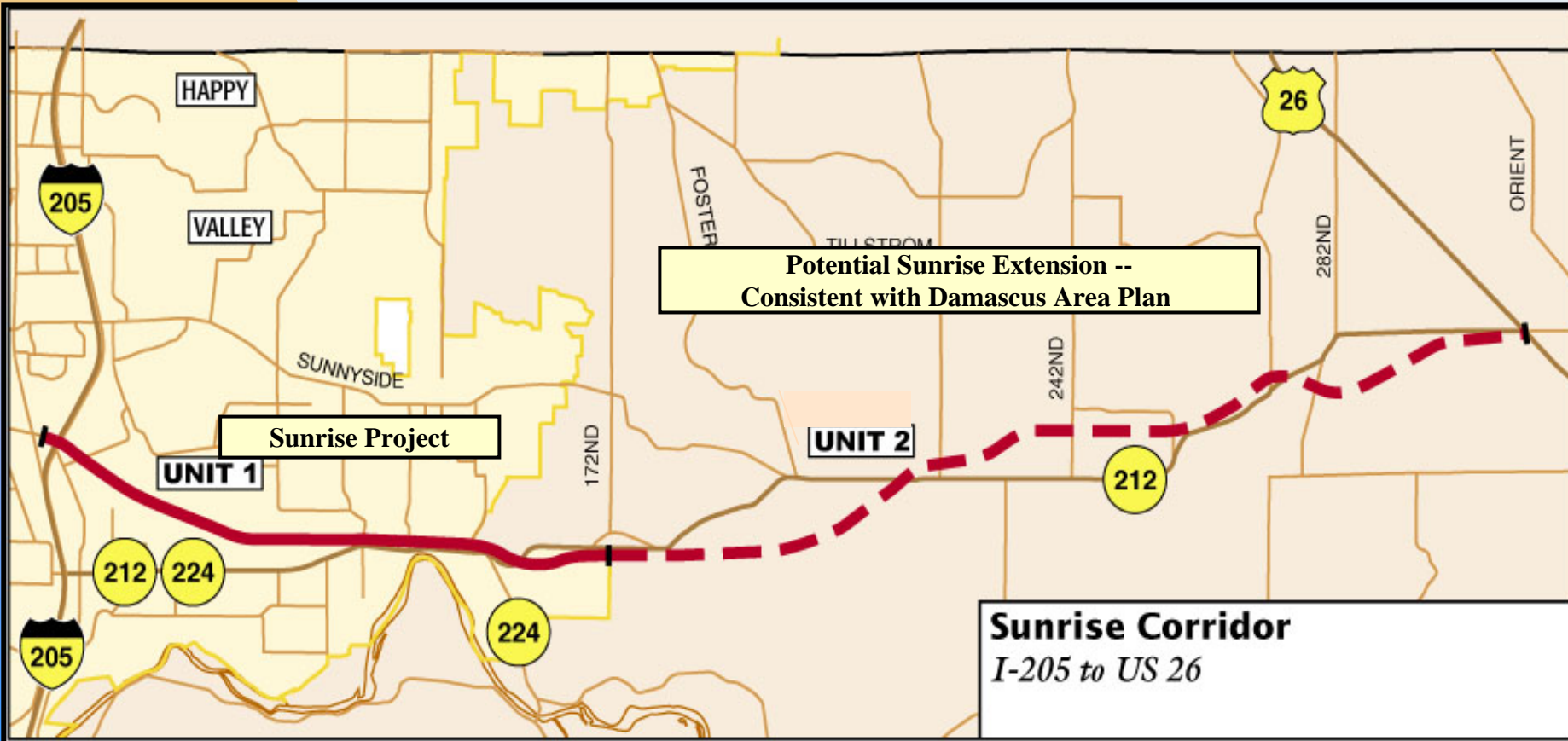


Sunrise Project

- The Sunrise Project corridor is a major truck/freight distribution center in the eastern Portland metropolitan area.
- Proposed project entails construction of a new 4-lane, limited access facility.
- Current average daily traffic (ADT) of 58,400 trips on existing Hwy 212/224 through the corridor, of which 7,000 are truck trips (12%).
- Freight and passenger movement is negatively impacted because of congestion - many intersections are failing.
- Future development of the Damascus area will contribute to increased traffic volumes along the Sunrise Project Corridor to the west.

The Sunrise Corridor

Sunrise Project extends from I-205 to Rock Creek Junction (5 miles)
Potential future extension east to Highway 26 (8 miles)
 (Alignment of potential extension of facility consistent with Damascus Area Plan - diagram for illustration purposes only)

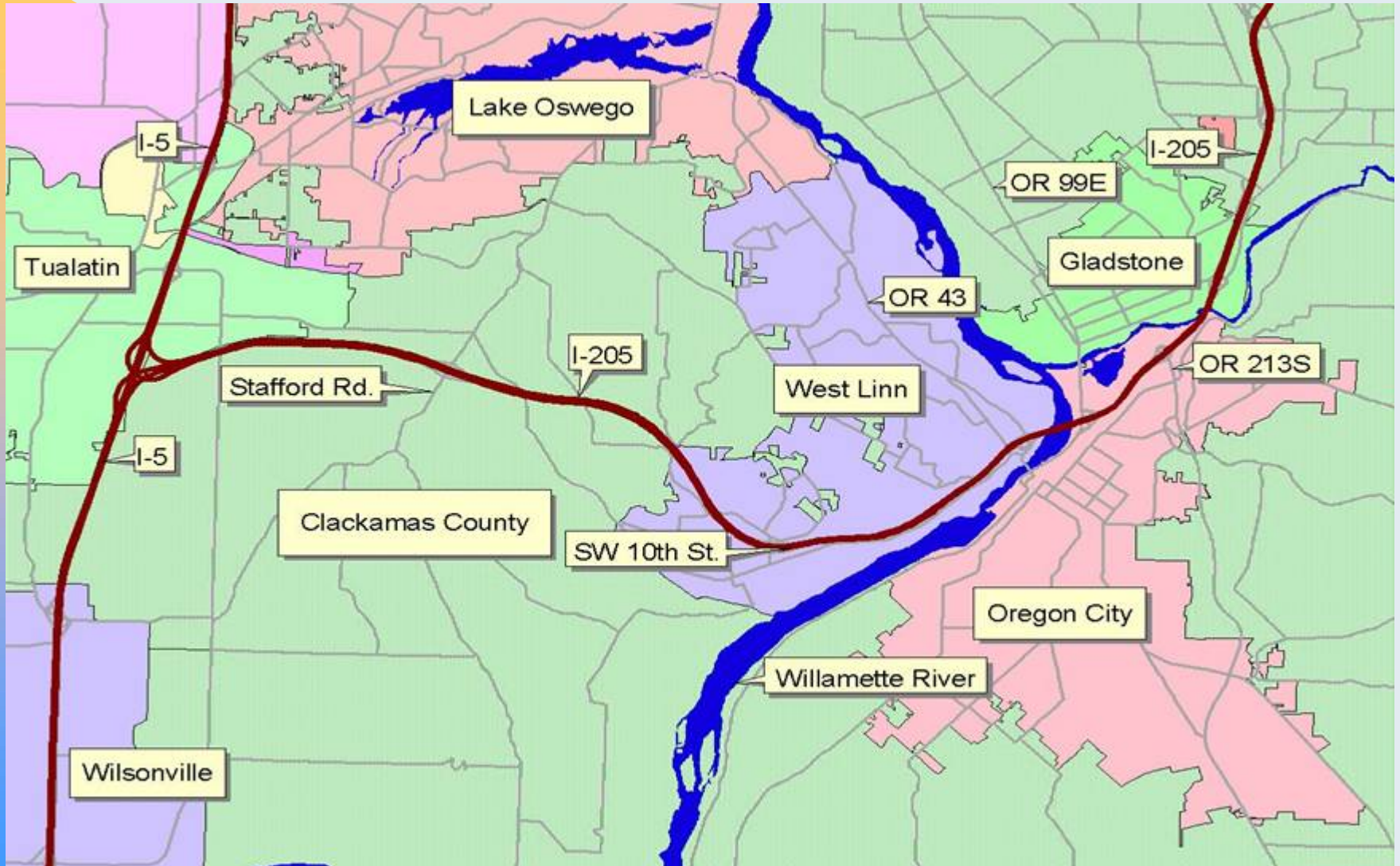


Sunrise Corridor
I-205 to US 26

South I-205 Corridor Improvements

- Major north-south freight and commuter route in the Portland metropolitan region.
- The transition from six lanes to four lanes at the Willamette River crossing contributes to significant congestion along the corridor.
- Traffic volumes have grown significantly with development in the south metro area over the last 10 years to 82,000 ADT (up 22%) at the south end at I-5 and to 137,000 ADT (up 20%) at the north end (Hwy 213S).
- Metro's 2000 Transportation Plan identified the need for an additional through lane in each direction on this section of
- I-205.
- Preliminary ODOT assessment has determined that widening the South I-205 Corridor to 3 lanes in each direction is feasible without undue adverse impacts.

South I-205 Corridor Improvements

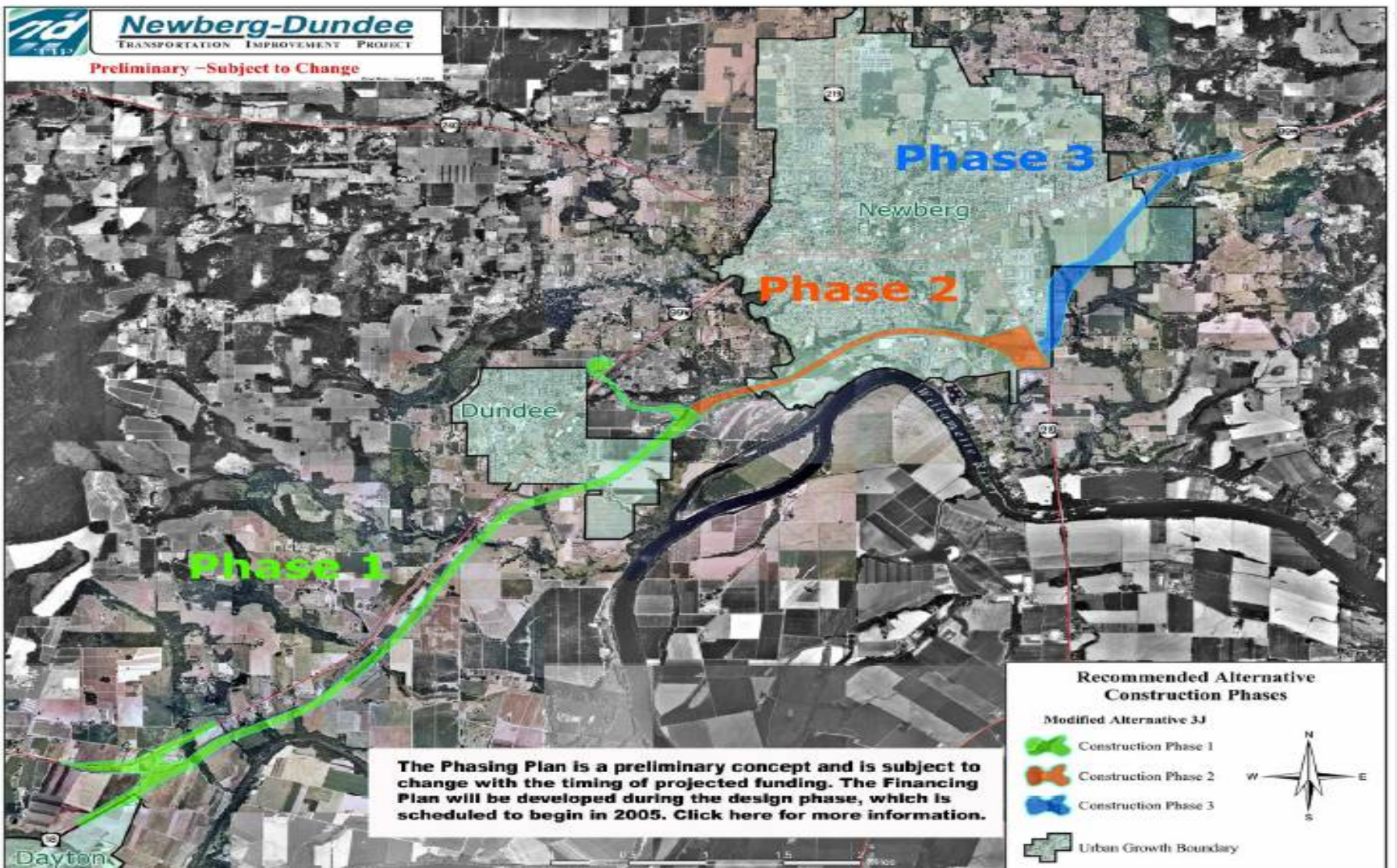


Newberg-Dundee

Transportation Improvement Project

- Traffic congestion has reached unacceptable levels for those travel through Newberg, Dundee and the surrounding areas.
- Traffic volumes on 99W are expected to increase substantially over the next 20 years to 40,000 – 56,000 VPD
- An identified alternative corridor (bypass) is approximately eleven miles long, starting at the east end of Newberg and ending near Dayton at the junction with OR 18.
- Current estimates of project cost are approximately \$310 million.
- ODOT has developed a three-phase concept plan: 1) Dayton Interchange to OR 99W in Dundee; 2) East Dundee Interchange to OR 219 Interchange; and 3) OR 219 to East Newberg Interchange.
- A recent survey validated strong public support for the bypass within Yamhill County and through the 99W corridor from Portland to the coast.

Newberg-Dundee Transportation Improvement Project



Maintenance Facilities (Statewide)

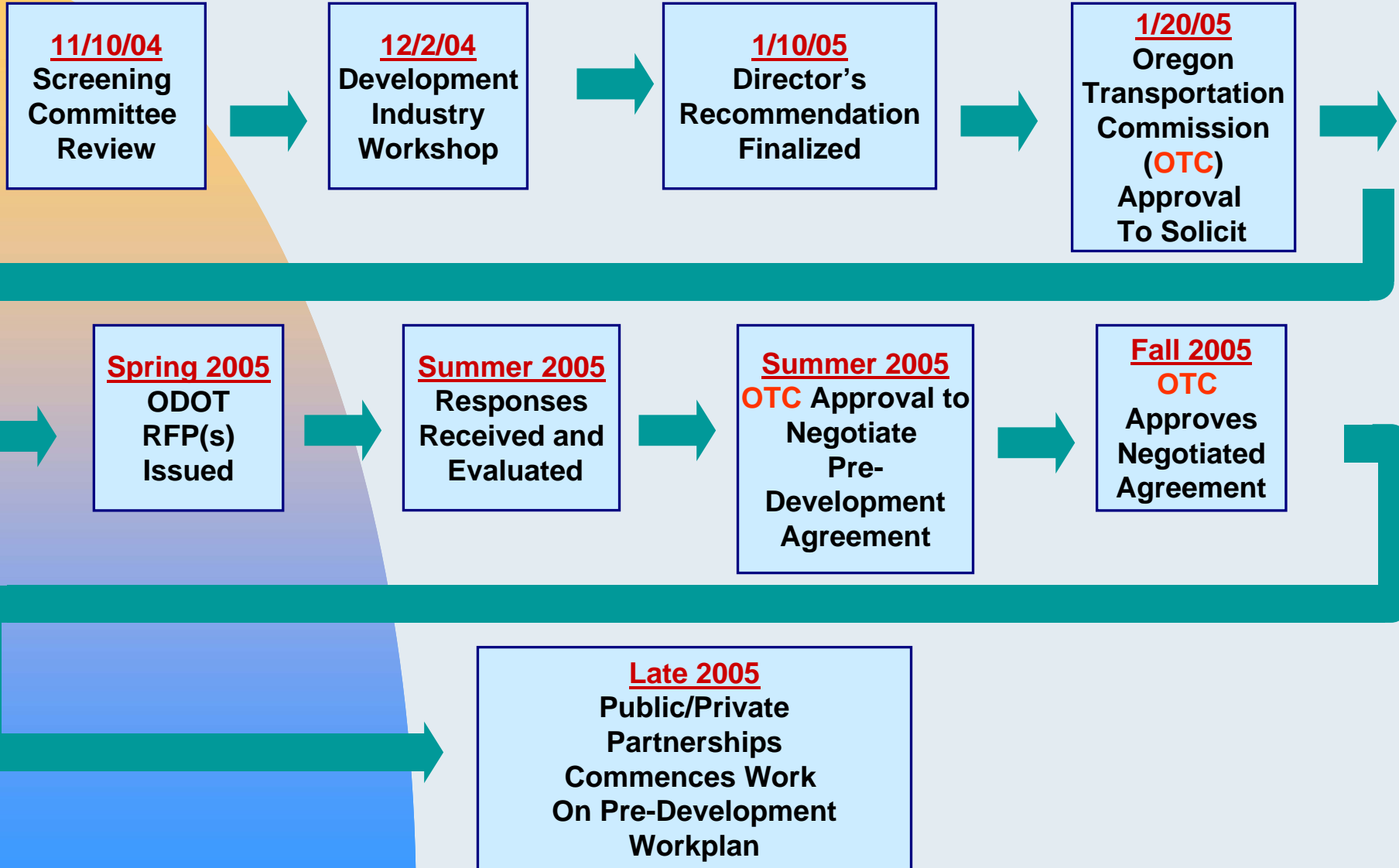
- ODOT owns facilities that were established many years ago outside developed areas, but now are in the middle of prime, developed urban areas.
- Maintenance activities are often non-compatible with surroundings and the “highest and best use” of these properties may be privately developed endeavors.
- Opportunities exist to use the OIPP to exchange for some alternative, "turn-key" facility that will better meet ODOT's needs, community desires and provide private development opportunities on state-owned property.
- ODOT will introduce a statutory change which will allow exchange of real property for development services to implement this program .
- We plan to issue an RFP on several of these projects in 2005.

Rivergate Railroad Bottleneck

- The Portland area has pockets of rail congestion that block the flow of both passenger and freight rail traffic.
- Within the “Portland Triangle”, bottlenecks were identified by the *I-5 Rail Capacity Study* that focused on the Portland-area rail system.
- Projects include: (1) improving running times in selected corridors, (2) increasing capacity at chokepoints, (3) adding yard tracks, (4) installing grade separations that reduce vehicular delay at key locations.
- Benefiting parties include the Union Pacific and BNSF Railroad, Port and City of Portland, shippers, passenger rail, area businesses and the traveling public.
- OIPP will work with all of the effected entities and jurisdictions identify the best mix of projects to move forward with an RFP.

Characteristics of Pre-Development Agreements

- **Selection based on qualifications, project understanding and approach**
- **Private partners brought in to support NEPA process and undertake activities to speed up delivery**
- **Financial resources contributed from both sides**
- **Allows concurrent rather than sequential work tasks:**
 - **Funding and financing plans**
 - **Public and political consensus building**
 - **Design innovation and project staging**
 - **Optimizing transportation solutions**
 - **Formation of necessary districts or authorities**
- **If phase one successful, ODOT and Private Partner enter into negotiation for subsequent agreement(s)**



OIPP

www.odot.state.or.us/oipp

