



OREGON Innovative Partnerships Program (OIPP)

Presentation to ORULE
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Unique Legislation Provides New Opportunities for Partnership

- Only a handful State DOTs have authority to enter into Public/Private Partnerships
- 2003 Legislature created the program to Explore Greater Private Sector Participation in Developing Transportation Projects
- In order to be eligible, the Oregon Transportation Commission must find that the project will:
 - Increase Project Delivery Speed
 - Create Innovative Project Development
 - Access to new Revenues and Financing Arrangements

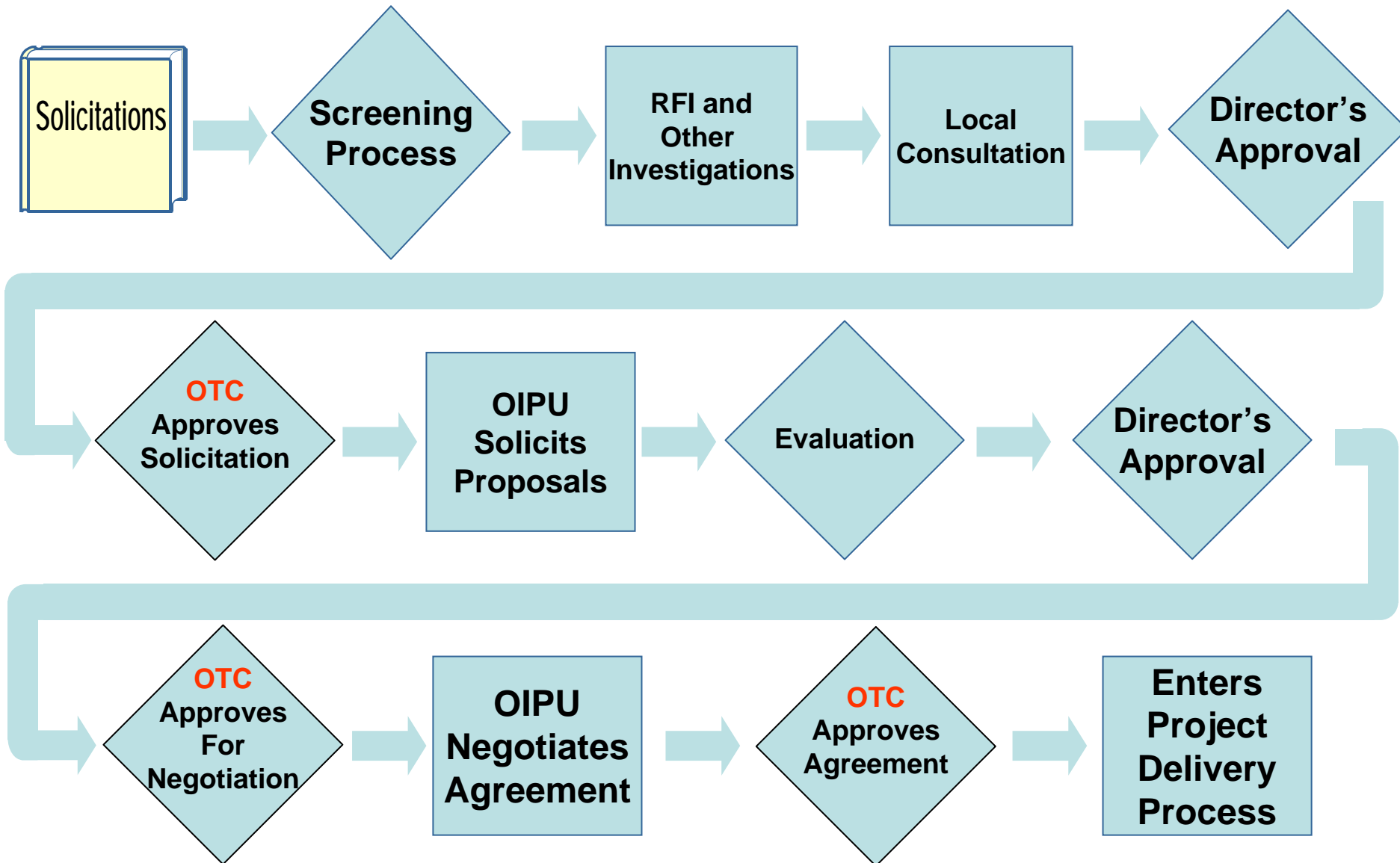


ODOT has retained nationally recognized talent and expertise in Public/Private Partnerships:

- Carter & Burgess, Inc. – Program Management
- Nossaman, Guthner, Knox & Elliott – Special Legal Counsel
- Public Financial Management (PFM) Group – Financial Advisor



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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.



Rivergate Railroad Bottleneck

The Rivergate Railroad Bottleneck received a number of responses to our RFI indicating potential to accelerate delivery and provide innovative financing approaches through early private participation in a PPP.

- “The project would appear to lend itself well to the possibilities of public/private contracting models as it could include funding from private sources, government sources and financing based on redevelopment of land and urban areas.”
- “The Rivergate Bottleneck could be ripe for a development project with funding mechanisms, such as usage charges paid by the Railroad on a per unit basis ... This concept has been successfully applied on the Alameda Corridor Project in CA.”



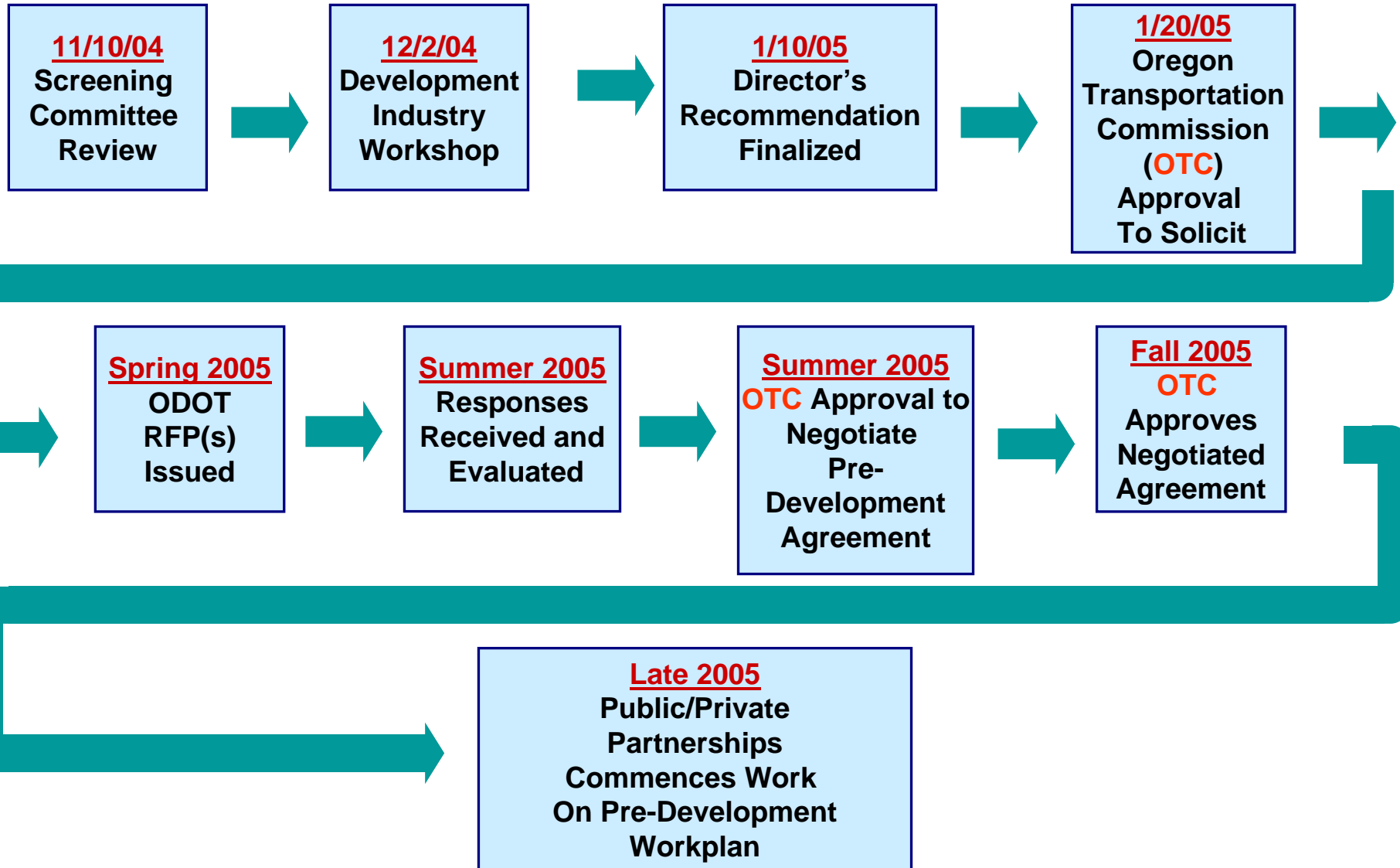
Characteristics of Pre-Development Agreements

- Selection based on qualifications, project understanding and approach
- Private partners brought in early in the process 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 is successful, ODOT and Private Partner enter into negotiation for subsequent agreement(s).



OIPP Solicitation Suggested Timeline





Website for Oregon Innovative Partnerships Program

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www.odot.state.or.us/oipp

