



# ***OREGON Innovative Partnerships Program (OIIPP)***

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

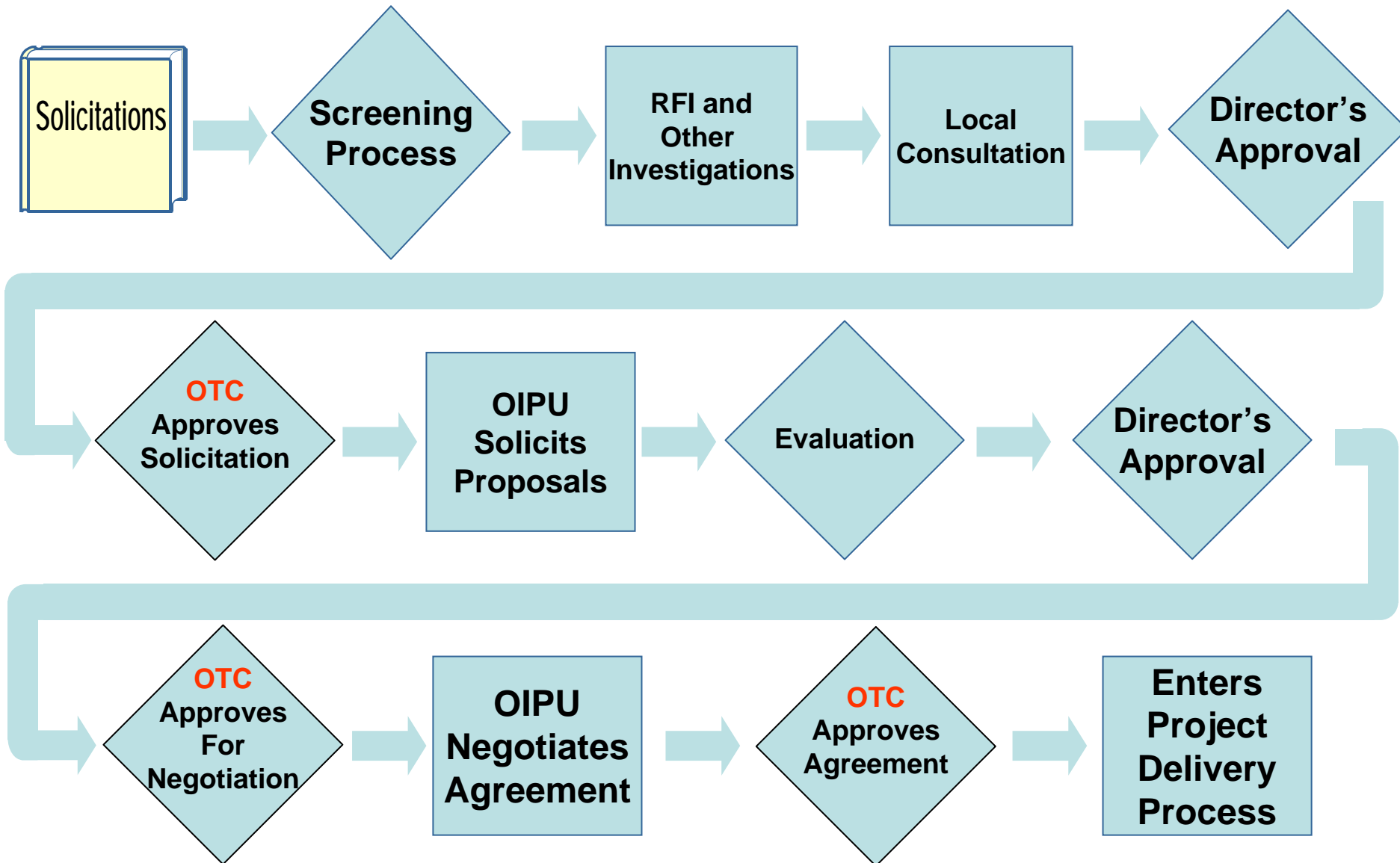


## **ODOT has retained nationally recognized talent and expertise in Public/Private Partnerships:**

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



# OREGON INNOVATIVE PARTNERSHIPS PROGRAM (OIPP)





## 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.”



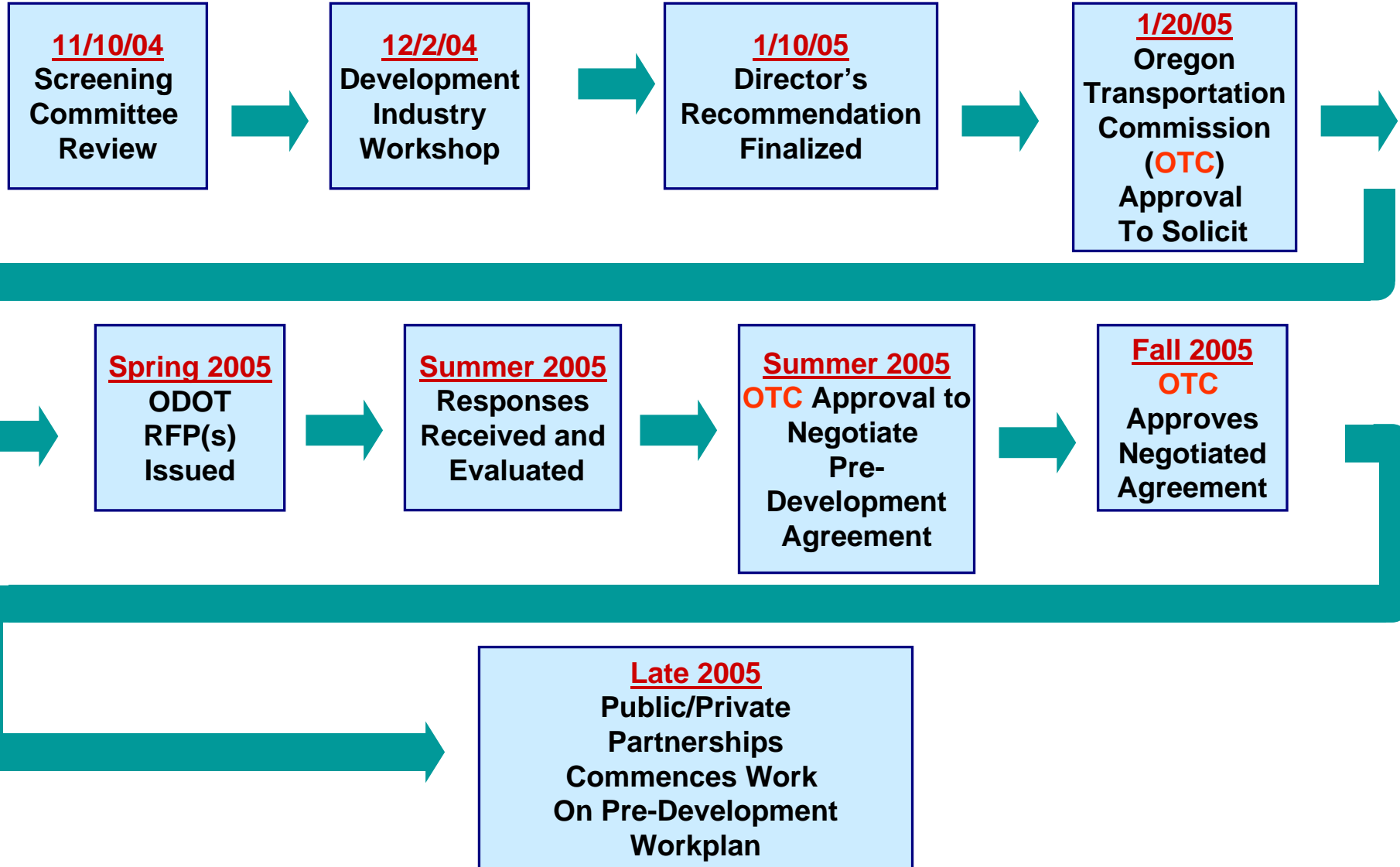
## Characteristics of Pre-Development Agreements

- 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***

***ORULE Presentation***

***March 3, 2003***

**[www.odot.state.or.us/oipp](http://www.odot.state.or.us/oipp)**

