



RoseQuarter

January 15, 2025

## **Re: I-5 Rose Quarter Improvement Project - Letter of Agreement in Support of Full Project Delivery and Funding**

We remain committed partners to complete the I-5 Rose Quarter Improvement Project (project) in its entirety. As partners in this project, we support the project's dual role of addressing critical statewide transportation needs and helping to realize the community vision to reconnect and realize a prosperous Albina neighborhood. This is a project of statewide significance that contributes to the economic output, vitality, and the tax base of the entire state. The project will not only contribute to the statewide economy through improved movement of goods and people and enhancement of key sports and entertainment venues that foster significant economic activity, it will also serve as a national model for how transportation infrastructure and community building can be done together to achieve inclusive economic growth and positive, generational outcomes for our state and region.

Large-scale transportation infrastructure projects do not simply reshape the way that we travel and transport goods, they reshape the economic, socio-environmental and physical realities of working-class Oregonians all over our State. In alignment with the project values of restorative justice, community input and transparent decision making, mobility, and public health, we are embracing a partnership role to support ODOT's delivery of the complete project. Through multi-agency and community partnerships, the state and region has a rare and unique opportunity to position itself as a national leader in transformational, community-driven infrastructure delivery.

This ODOT-led project is significant to all communities in Oregon, and the entire state will benefit from constructing the full I-5 Rose Quarter Improvement Project, which includes the I-5 auxiliary lanes and shoulders between I-84 and I-405, the full highway cover with reconnected streets and new community space on top, multimodal street improvements, the separated pedestrian and bicycle bridge, and the relocation of the I-5 southbound off-ramp to the Wheeler/Williams Off-Ramp Connection. I-5 is the main north-south highway along the U.S. West Coast and is critical for moving people and goods and connecting cities and towns from Mexico to Canada.

The project will reduce congestion and improve safety at Oregon's top bottleneck where three interstates converge to form the nation's 28<sup>th</sup> worst freight bottleneck and where the traveling public and freight experience 12 hours of congestion each day. The Rose Quarter segment of I-5 also provides about \$115 million in daily commodity flows; congestion and travel delay on I-5 affects businesses throughout the state by reducing economic competitiveness because businesses are unable to reliably move their goods and services. The implications of this bottleneck extend far beyond the Portland

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Metro region to across the state, affecting efficient movement of goods, the cost of doing business, and Oregon's economic growth.

In addition, the highway cover and multimodal improvements will knit together communities disproportionately impacted by the interstate's original construction and make streets safer by offering greater visibility, protection, and access to people walking, biking, and rolling. Connected complete streets throughout the district help support the equitable development goals of Lower Albina, creating a new neighborhood and regional destination with entertainment venues and vibrant and inclusive public spaces that will serve as a visitor destination and contributing to the statewide economic impact of tourism.

- While one of the main objectives of the project is to achieve a reconnected and thriving neighborhood district centered on restorative justice, project partners have identified that this happens when we leverage projects for **wealth building and inclusive economic development**. This includes working with the Portland Trail Blazers and Rip City Management and other partners to ensure that our regional entertainment venues continue to thrive and contribute to the social and economic vitality of the city. As an example, the Portland Trail Blazers and Moda Center generate \$600 million in regional annual economic activity, attracting an estimated 1.5 million visitors and supporting thousands of jobs. Local and regional multimodal transportation improvements in the district and the region has the combined benefit of supporting the economic drivers (like the sports and entertainment venues) that benefit the whole state and reconnects a community that suffered economic losses and was divided by the highway construction.
- As elevated by members of the Historic Albina Advisory Board, the Albina Vision Trust and other community members and organizations, **environmental quality and justice** is a key priority to ensure the project contributes to enhanced health, safety and general wellbeing of the community. It is critical that the Project prioritize efforts to mitigate and address air quality, noise and other construction related impacts through each phase of investment.
- The City of Portland is excited to work with partners on the delivery of the "**Lower Albina Streetscape Project**" which was awarded to PBOT during the same Reconnecting Communities and Neighborhoods grant cycle as the \$450 million award allocated toward the Rose Quarter project. These two projects will work seamlessly together to extend the benefits of the highway cover and local street improvements delivered by the Rose Quarter project on N/NE Broadway and N/NE Weidler, creating a continuous connection between the Broadway Bridgehead, through the Lower Albina area, and into nearby Lloyd and Eliot neighborhoods. For both projects be successful, the Lower Albina Streetscape Project and Rose Quarter project will need to coordinate closely on design and implementation.

We recognize the importance of the initial investments to begin building the first phases of the project. The \$450 million federal investment from the US Department of Transportation's Reconnecting Communities and Neighborhoods program is critical to begin construction on the first portion of the highway cover – a primary reconnecting feature of the project. Strong partnerships and community leadership, including from Albina Vision Trust and the Historic Albina Advisory Board, was key to leveraging this level of federal investment. The additional \$250 million in state funding made available by the Oregon Transportation Commission also allows ODOT to kick off project construction in 2025,

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expanding upon what will be built concurrently with the first highway cover section starting in 2027. Through this significant start in 2025, ODOT will minimize inflation costs and make progress toward a project goal of community job creation and delivering on the community vision.

The project will create significant opportunities for jobs and economic development, including investing in Disadvantaged Business Enterprises and building capacity for a diverse workforce. This project is a catalyst for economic growth and social equity, and its completion will improve our infrastructure and uplift our communities. The planned sequence of work makes meaningful progress that will seamlessly connect to future funded work.


We understand the need to deliver the project in phases to match funding availability, emphasizing that each phase is done in support of, and with the expectation of, completing the project scope in full. Further, the federal environmental approval for the project under the National Environmental Policy Act (NEPA) is for the full scope completion of the project and our support for delivering all elements of the project is consistent with this federal approval and the NEPA process. As the project progresses, project values and partnerships will be utilized to inform project phasing and decision-making processes. As jurisdictional agencies, ODOT and the City of Portland will work together on permit issuance and scope refinement activities.

Completing the project elements in full is essential to capitalizing on unprecedented federal investment in Oregon and realizing the full statewide benefit of the Rose Quarter project. This infrastructure project is a bold endeavor that will have a generational impact on our city, region and state and we remain in support of delivering the project in full to achieve this outcome.

In Partnership,

  
Leah HORNER (Jan 15, 2025 16:12 PST)

Leah Horner, ODOT Assistant Director of Delivery and Operations

  
Donald A Oliveira (Jan 15, 2025 11:43 PST)

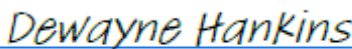
Donnie Oliveria, City of Portland Deputy City Administrator, Community & Economic Development

  
Priya Dhanapal (Jan 15, 2025 14:25 PST)

Priya Dhanapal, City of Portland Deputy City Administrator, Public Works



Winta Yohannes, Albina Vision Trust Executive Director

  
Dewayne Hankins (Jan 15, 2025 15:46 PST)

Dewayne Hankins, President of Business Operations, Portland Trail Blazers and Rip City Management