

Three Mid-Valley projects recommended to ease transportation

Approval expected for non-highway works to be funded by state lottery

By Peter Wong

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Three Mid-Valley projects are among the 41 recommended for a cut of \$95 million from lottery-backed bonds for nonhighway transportation work.

The money would pay for an air-traffic control tower at Aurora State Airport, a Rickreall park-and-ride lot for Salem-Keizer Transit and bridge repairs on the Willamette Valley Railroad. They add up to \$3.6 million.

The Oregon Transportation Commission has scheduled a public hearing for 2:20 p.m. July 21. Its monthly meeting will be at its Portland regional headquarters, 123 NW Flanders St.

Two presentations will precede the hearing. The first, at 1:35 p.m., will review the projects for which the Department of Transportation recommended \$95 million. The second, at 2:05 p.m., will review how the Department of Aviation plans to spend its \$5 million.

Area commissions screened 81 applications totaling \$201.5 million, twice the amount available, and a statewide advisory panel ranked them.

The commission is scheduled to approve the projects at its Aug. 25 meeting, which is planned in Hermiston.

The \$100 million will come from state bonds that are repaid by lottery proceeds. Oregon started issuing such bonds in the early 1990s; together with specific earmarks of 18 percent for the education reserve fund and 15 percent for parks, watersheds and salmon, they now account for about half of the state's spendable share of lottery proceeds.

Lawmakers last year approved the third installment of bonds under Connect Oregon, which uses lottery-backed bonds for air, port, rail and transit projects across the state.

They approved the first two installments, at \$100 million each, in 2005 and 2007. Most of these projects are completed or under way.

The Mid-Valley fared well in the most recent round with projects at Salem Airport and the proposed Keizer transit center.

Gov. Ted Kulongoski proposed the bonds to help finance transportation projects that do not qualify for highway or bridge work.

They were in response to critics who said nonhighway work was getting short shrift because of how Oregon pays for highways.

Oregon voters in 1980 reserved fuel taxes and vehicle and driver fees for highway and bridge work, once licensing and administrative costs are subtracted. Lawmakers cannot transfer these funds for use on

other transportation projects, or for the general fund that supports education, human services, public safety or other programs.

During Kulongoski's governorship, lawmakers approved two major highway-funding proposals.

In his first year in 2003, lawmakers approved a 10-year, \$2.5 billion package — two-thirds of which went to fix cracking bridges on key state and local routes critical for freight. Most of the rest went for new highway work. Almost all of those projects will be completed in the next couple of years.

In 2009, lawmakers approved another package — at \$300 million annually — that allows the state to raise \$1 billion in bonds for projects specified in the bill. Cities and counties also get increased allocations for street and road work, their first increases in almost 17 years. The law does not specify local projects.

Increases in vehicle fees took effect last fall, after opponents failed to obtain signatures to force a statewide election. An increase of 6 cents per gallon of gasoline is scheduled to take effect Jan. 1.