



October 26, 2023

Congressman Rick Larsen
2113 Rayburn HOB
Washington, D.C. 20515

Dear Rick:

Saw you on YouTube at the October 18th T&I Hearing. You are aging remarkably well despite the chaos. Really good to have a reason to reconnect and perhaps do something good for the State and the Country.

I am attaching a copy of a note we sent to Chairman Graves. Suspect it has been submitted for the record but hard to tell these days.

The basic premise is that the time has passed when we should be looking at highway projects purely in terms of trucks and cars. The associated development that highways promote is likely as least as valuable, if not more valuable, than their transportation benefits. Up to this point, private developers, in a relatively uncoordinated way, have been capturing the value that highways create.

What our “New American Model” seeks to do is capture these values for the public and, in particular, for the taxpayers who build and maintain the roads and the communities through which the highways pass. The dialog at your hearing on the 18th starkly illustrates the gap which the new approach could fill.

Essentially all of the witnesses talked about restructuring highway use taxes to increase revenues from highway users. When Congressmen Carbajal and Webster raised the potential of a Federal Infrastructure Bank as an additional source of funding and a way of magnifying the effect of State Infrastructure Banks like yours in Washington State, the response was, in essence, “Loans are good but they can’t be made unless there is a revenue stream to repay them.”

As the Blueprint note points out, there are, in fact, very substantial revenues available through intelligent development of the rights of way associated with highway projects and these can be leveraged both to pay a substantial part of the cost of improvements and maintenance and to create really significant community benefits. *The combination of a Federal Infrastructure Bank as a source of expertise and point of coalescence and engagement for forward looking States could be a highly effective source of fuel for the HTF’s emptying tank.*

I am attaching a quick analysis from Scott Kusnicki of the Cascadia Discovery Institute, who advises that there are several projects in Washington that could benefit from the effective application of this concept and will provide details if that would be helpful. In the meantime, I look forward to your reaction to the concept and your views on how to move forward from here.

Again, good to be back in touch. Hope to hear from you.

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Attachment 1

Cascadia Discovery Institute Analysis



Evergreen Futures Innovation Corridor

October 2023

In Western Washington, a single motorway corridor serves the majority of the interregional travel between Portland, Oregon and Vancouver, British Columbia. This 300-mile (480 km) at-risk interregional corridor exhibits recurring congestion, is prone to unpredictable delays due to incidents. Physical and operational performance continue to deteriorate on account of limited maintenance and preservation investments and lagging progress beyond interim improvements at interchanges. Due to topography, there is no alternative to this corridor that serves long-distance travel. In the Seattle area, the SR 512, SR 167, and I-405 motorways serve as an alternate to I-5, connecting two commercial passenger airports with the region's business centers in Bellevue and downtown Seattle and connecting six deepwater ports.

Opportunities for Innovation

In the past decade, various organizations in the Seattle area have partnered with government agencies and community organizations to facilitate the adoption of automation, electrification, connectivity, and sharing in mobility, logistics, and energy. This "ACES revolution" is transforming transportation at the nexus of the world's foremost leaders in logistics, cloud computing, and venture capital. Drivers of progress include organizations such as the Pacific Northwest Economic Region, the Cascadia Innovation Corridor with Challenge Seattle, the Discovery Institute, the University of Washington, and dozens of businesses, municipalities, and public utilities. A commitment to renewable energy production, increased energy transmission capabilities on the Eastside, and substantial expenditures on public transit infrastructure and operations all underpin the an ACES-centric model connecting people to public transit, moving goods, and providing services using automated and electrified vehicles both on the ground and in the air. The I-5 corridor knits this region together and it must become an intelligent highway.

Mobility Marketplaces and Motorway Connections

At the center of this new model is the Mobility Marketplace, the vision for repurposed underutilized Park&Ride facilities that will serve as energy, logistics, and mobility hubs with a focus on delivering socialized mobility services that connect directly to the region's motorway system. Segments of the motorway experience congestion for 12 hours each day while operational issues persist in the vicinity of outmoded interchanges and due to the prevalence of the HOV (high-occupancy vehicle) and tolled Express Lanes networks, which constrain capacity by reducing the motorway's ability to stratify traffic and serve faster travel speeds.

Situated at strategic locations connecting to regional commuter rail, light-capacity rail, and regional bus services, the existing Park&Ride system has experienced a significant increase in parking availability since March of 2020. This strong availability persists even in 2023, an opportunity to create rooftop energy production and rainwater harvesting systems, driver comfort facilities, micrologistics hubs for delivery services, charging stations for shared and service vehicles, and a first-floor mall with convenience retail and on-the-go food offerings. These hubs would provide seamless access between automated electric shuttles and the existing transit system, increasing ridership, while also serving as the foundation of local microgrids and data centers. Every Mobility Marketplace will support an Advanced Aerial Mobility terminal for passenger transportation, emergency medical services, disaster relief, and just-in-time logistics.



Motorway Performance Enhancements

Building on a strong legacy of technology-supported intelligent transportation systems, the State Department of Transportation is positioned to incorporate non-government-sector solutions for traffic operations management, user information, and performance management. Intelligent infrastructure driven by private equity investments in technology remains a necessity in this region, where the prospect of physical addition of capacity is slim. Given such limited plans for capacity expansion through interchange improvements, additional lanes, and new corridors, roadway congestion must be addressed using technologies that integrate vehicles with infrastructure, in support of operations optimization within the corridor and in all services and modes that access the corridor.

On the motorway corridor, low-latency high-bandwidth communications will support seamless connectivity for increased capacity in the existing restricted lane networks. Connected vehicles applications are currently being deployed in cities such as Bellevue and Redmond, where safety-focused user information systems are reducing the risk of crashes, particularly for people walking and biking. These safety benefits are further incurred with a more efficient motorway, particularly where travel time variability is addressed. Implementation of connected vehicle systems on the motorway include following distance management, speed harmonization, crash mitigation, and other tools already deployed in ADAS-equipped vehicles.

Vehicle headway disruption mitigation improves the flow of traffic with the added benefit of reducing public transport travel times when deployed in dedicated lanes and integrated with the public transit vehicles, which incur congestion on account of their operating characteristics. The use of micrologistics hubs with new lading and routing applications will reduce local travel by larger vehicles, also increasing capacity and improving the quality of life adjacent to major roadway corridors. Reducing the impacts of heavy vehicles and slow vehicles in the left lanes is of utmost importance and the focus of motorway management techniques throughout the globe.

Within the Puget Sound region, the motorway system features a pervasive high-occupancy vehicle network and tolled lanes. The presence of these lanes and long-standing public reticence to violate the restrictions creates an ideal network for demonstration projects. Connected vehicle pilots, vehicle automation pilots, and eventual transition of these lanes to highly-automated vehicles avoids the depreciation of a poorly-performing infrastructure model. Applications of connected vehicles technologies in a dedicated regional network of specialized restricted lanes hold incredible potential for motorway safety, efficiency, and desirability gains, which increases the value offered by the motorway.

Strategic Investment Potential

Reducing motorway congestion reduces the travel time variability of the motorway. Providing energy and wayside services concentrates travel within the corridor. Improving communications infrastructure with modern open networks induces travel that would otherwise use local and arterial street networks, shifting the balance in favor of safety and advancing Vision Zero goals. All of these activities are possible with intelligent infrastructure, which can also transform how people pay for these services. A concession-based operator model with en-route services and technology-driven reliability applications stands to reduce the need for diminishing tax-based funding of motorways and will eventually form a source of revenue for regional authorities that will depend on the motorway network and the trips it serves for improvements to streets and public transit, driving the creation of walkable cities throughout the region.

Attachment 2

Note to Congressman Graves



October 14, 2023

Chairman Sam Graves
Committee on Transportation and Infrastructure, Republican Office
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

The Blueprint 2025 (“BP2025”) initiative is collaboration among infrastructure professionals, leading infrastructure development companies and public sector project managers, which advances and supports plans and policies to restore the U.S. position as the country with the world’s best, most efficient and most productive infrastructure. We are writing to direct your Committee’s attention to a new approach for mobilizing private sector investments to enhance the public benefits of federal highway projects. This approach, which is being referred to as the “New American Model” uses planned development of a highway’s extended right of way corridor to fund a share of the project’s construction and maintenance cost (thus reducing expenditure of tax dollars) and, at the same time, creating real benefits to pass-through communities. Widespread adoption of this approach should greatly reduce the cost to the public of building and maintaining essential highway resources and mitigate stress on the Highway Trust Fund.

Attached you will find brief summaries of the state of progress of three substantial projects applying this concept in areas where the development potential which the approach offers is critically needed. We hope that this model will be considered in upcoming hearings before your Committee—along with the substantial synergy which an infrastructure financing source and source of financial expertise such as the proposed *Federal Infrastructure Bank (HR 490)* could provide.

Please feel free to call me if further information is needed.

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U.S. 30 Opportunity Corridor -- A New American Model for Infrastructure Finance

On October 5, 2023, the Stark, Carrol, Columbiana Regional Transportation Improvement Project (“RTIP”), and a core group of advanced infrastructure technology and development companies wrapped up a working session in Canton with a commitment to work together to carry out the next stages of the “Ohio Opportunity Corridor Project” -- demonstrating a ‘New American Model’ for infrastructure project delivery.

This new approach to developing and funding major infrastructure projects mobilizes private sector expertise and investment to provide public and community benefits through multi-use development of highway right-of-way corridors. It is a joint effort among leading infrastructure investors, builders, operators, developers and technology providers to explore and implement this new concept not only to upgrade the transportation functions of an important section of the historic Lincoln Highway but also to provide financing, economic returns and long-term community benefits through intelligent 21st century planning and development of the right of way corridor.

The Hall of Fame Village, the meeting venue, is a manifestation of the power of public private collaboration in Ohio. It is the location of the NFL Hall of Fame and the site of the annual Hall of Fame Bowl. This transformational facility, created through public/private collaboration, is a mixed-use sports and entertainment district -- a smart destination driven by advanced data and analytics with connectivity and efficiency achieved through infrastructure integration. It exemplifies the kinds of advantages that can be created by creative thinking, community buy-in and participation by private sector technology leaders.

The “New American Model” concept, when it finances and builds this project and produces the anticipated public cost reductions and community benefits, will change the way we look at big infrastructure projects -- particularly highways. It will reduce the public cost of highway development, construction and maintenance while, at the same time, producing both real community benefits and opportunity for investors.

In July of 2023, the Ohio Legislature enacted groundbreaking new legislation which fully empowers the RTIP to plan and implement the development of a nearly one-mile-wide extended right of way along the Corridor, to create a new enterprise -- state-chartered as a joint interest corporation -- to manage that development and allow participating companies to provide equity financing. With that structure, the RTIP can take maximum advantage of the public-private capital stack: get permits on a more expedited basis, align the incentives of project stakeholders, and get real property owners in adjacent areas to participate in developing the project plan. In that way, we will address the major issues with right-of-way development head- on, early and expeditiously.

The Ohio Opportunity Corridor project is designed to provide connectivity between Ohio points west of the City of Canton and the Pittsburgh Metropolitan Region. This is a phased project to attract private capital and reduce expenditure of public funds. It involves distinct processes for acquiring, planning for and developing rights of way for the targeted segments of Ohio U.S. 30. Application of this Opportunity Corridor concept along U.S. 30 can generate hundreds of millions of dollars in increased land value. It can also enable right of way leases for high-speed internet

connectivity that will service advanced manufacturing and also provide valuable internet availability to underserved part of Ohio.

Additional right of way leases will facilitate telecommunications cables and towers as well as support for autonomous vehicles and other cutting edge transportation technology. The model proposed by the Institute not only de-risks the project by monetizing value which would otherwise be value captured only by private developers and users, but also works to monetize *recurrent* ancillary revenues that allow for inflation adjustments over the course of a project's life span.

The RTIP is authorized under Ohio law to raise and borrow funds for the project. This includes Tax Increment Financing (TIF), Marketable Tax Credits, Bonds Secured by Private Sector Commitments and authority to acquire and monetize properties within the extended right of way. Extension of the four-lane Lincoln Highway/US 30 freeway east of Canton has been the subject of numerous environmental studies and state and local approvals and is prioritized on the Statewide Transportation Improvement Plan (STIP). It complies with Federal Highway Administration project requirements and is ready to move forward. The U.S. Department of Transportation announced BUILD Grants in 2019 that included \$18 million for the RTIP U.S. 30 Extension Project—the *only* Ohio project to receive a 2019 BUILD Grant award and the only 2019 BUILD Grant to be extended through 2024.

For more information contact cynthia@sinfpi.org



ROUTE 66 OF INTELLIGENT INFRASTRUCTURE

Texas **State Highway 130** runs from [Seguin](#), east of [San Antonio](#), through east Austin, ending on I-35 north of [Georgetown](#). The route parallels I-35 and is intended to relieve the Interstate's traffic volume through the San Antonio-Austin corridor. With the proximity to Mexico and the Texas Ports, it is experiencing explosive growth.

SH130 INTELLIGENT INFRASTRUCTURE ECONOMIC ZONE:

SH130 will be the Route 66 of Intelligent Infrastructure supporting dozens of communities and cities down the 92-mile corridor. This is the first [Intelligent Infrastructure Economic Zone](#). This Economic Zone has multiple investment and industry partners engaged to enable dozens of valuable solutions and services to master planned communities and commercial developments within the Central Texas Region. The [SH130 Route 66 Intelligent Infrastructure and Regional ASOCC](#) (SH130-IIEZ) will enable several solutions and services to the developers, operators, and communities; including Broadband for all.

SOLUTIONS AND SERVICES:

1. Public Safety and Response, 2. Autonomous Mobility Districts, 3. Intelligent Infrastructure Labs, and 4. Distributed Work Centers.

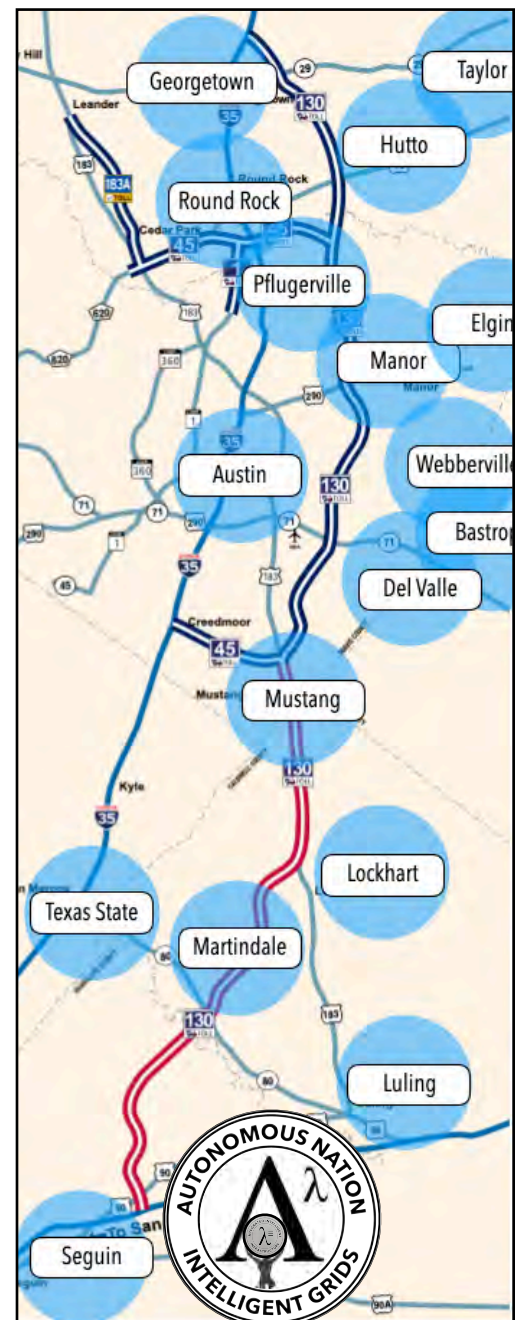
THE INTELLIGENT INFRASTRUCTURE SYSTEMS:

- 230 Public Infrastructure Network Nodes (PINN)
- PINNs supporting 8-16 Modules; dedicated "Science Nodes"
- 2x - 150kw micro datacenters
- 1.5 MW of computing down a 92-mile corridor
- Electricity: 7,200-volt distribution with Solid State Transformers
- Services: M2M Wireless Network
- Services: APNT + Perception
- Services: Sovereign Data Exchange
- Services: Active Digital Twin
- Services: AI Trust and Cybersecurity Framework
- Grid Storage: 200 MW Grid Battery (Available Power ERCOT-100)

INTELLIGENT INFRASTRUCTURE LABS

SH130 Intelligent Infrastructure Corridor will become an Apparatus of Science and support all types of R&D projects.

Research include: Infrastructure Enabled Autonomy, NextG wireless networks, smart city research, connected and autonomous systems(such as cars, drones, rovers, shuttles, trucks, advanced air mobility, construction vehicles, road repair systems, lawnmowers, transport pods, trash collection, etc.)





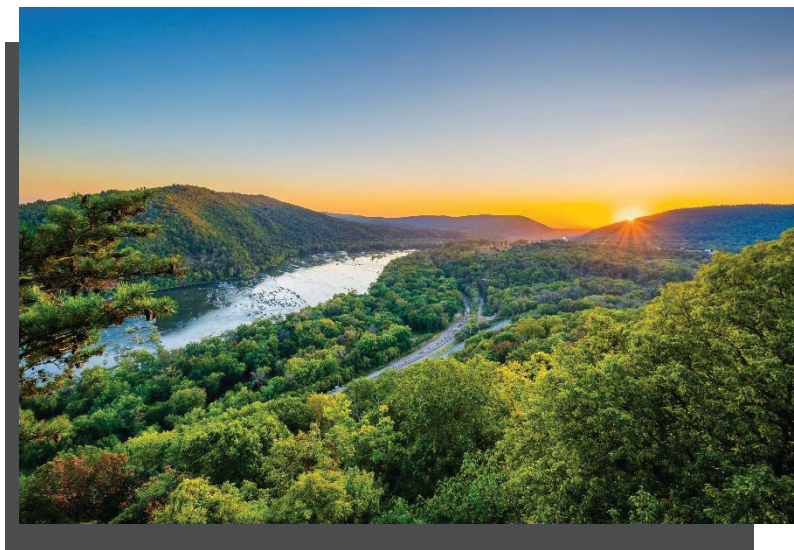
WEST VIRGINIA ADVANCED ENERGY & ECONOMIC CORRIDOR

The State of West Virginia is embracing the shifting landscape of energy production and related technologies. This fresh approach provides the I-73/74 Corridor region with a generational opportunity.

Once known as the “King Coal Highway”, this corridor been a crucial source of energy in the United States by providing secure and reliable resources. Significant and widespread changes within the national and global economies present weighty challenges for the regions’ people, businesses, and governments. However, this change can also help transform regional economic outcomes for decades to come by adeptly applying technologic innovation and efficiencies. These efforts must be complementary and supportive of successful industries in West Virginia (tourism and recreation, transportation and logistics, etc.) rather than an independent effort moving away from them entirely.

The economic development agencies along this corridor are aligning efforts to embrace the expansion of the energy policies adopted by the West Virginia Legislature as a tool for economic development. To help ensure success, the counties of Mercer, McDowell, Mingo, and Wayne (the aligned Corridor Counties) are forming a strong working group to articulate a resolute vision and clear strategies to facilitate the desired economic developments. This effort builds on recent momentum in sustainable economic and energy development in the state and region.

- In 2021, a coalition of more than 50 businesses and organizations formed the **Appalachian Climate Technology (ACT) Now Coalition** - <https://actnowwv.org/>.
- This network is advancing renewable energy and other environmentally sustainable sectors throughout the region.
- Last year, **ACT Now** was awarded nearly \$100 million in funding from the U.S. Economic Development Administration (EDA) and other matching philanthropies.





In addition to **ACT Now**, there are innovative and sustainable projects and businesses developing up and down the proposed 73/74 Corridor. For example:

- A solar-powered eco-tourism development is under construction in Mingo County.
- A regenerative agriculture enterprise has also launched in Mingo County.
- And the ReUse Corridor (advancing the circular economy here in Appalachia) continues expanding from Wayne County.

A key next step is asset-mapping these and other resources, in collaboration with **Marshall University's Center for Business and Economic Research (CBER)** – www.marshall.edu/cber.

The West Virginia Advanced Energy and Economic Corridor working group will:

- Outline specific tactical goals and demonstrable objectives via input from member counties.
- Make a commitment to a net zero-carbon footprint for all endeavors.
- Maintain an inclusive, rather than constraining, geographic focus. The rural nature of the region will likely necessitate reaching beyond the strict alignment of the corridor. This will help ensure that impacts are both broad and sustainable for the communities that stand to benefit the most from these initiatives.
- Seek out Private-Public Partnerships (P3's) to achieve its vision.
- Foster partnerships with groups in other states that follow the I-73/74/75 alignment to help build broad support.
- Seek governmental engagement for guidance on local, state, regional or national initiatives to achieve economic development objectives.
- Utilize cutting edge technologies and innovation platforms where their application is most beneficial.
- Consider legislative action to allow regulatory flexibility along corridor expanded boundaries (attached is an example Ohio framework for a small corridor).
- Develop a MOU with the Appalachian Regional Commission (ARC) in areas of economic development, transportation, tourism, etc.
- Develop a Tourism asset portfolio for inclusion of the Corridor vision.