

A RESOLUTION URGING THE GENERAL ASSEMBLY TO COMMIT FUNDING TO SUBSTANTIALLY REDUCE THE BURDEN OF TOLLS ON HAMPTON ROADS RESIDENTS BY EITHER BUYING BACK THE ERC CONTRACT OR OTHERWISE SIGNIFICANTLY AND PERMANENTLY LOWERING TOLLS FOR THE DOWNTOWN AND MIDTOWN TUNNELS.

WHEREAS, in 2011, using the provisions of the Public–Private Transportation Act, the Commonwealth of Virginia entered into a 58-year contract with Elizabeth River Crossings OPCO, LLC (ERC) to make certain improvements to increase the capacity of the Midtown and Downtown Tunnels and their attendant bridges and roadways; and

WHEREAS, the ERC contract granted the contractor authority to construct, maintain, and operate the tunnel facilities for a 58-year period, deriving its revenue from the imposition of tunnel tolls for an average annual profit of 13.5 percent with annual increases of at least 3.5 percent; and

WHEREAS, the tunnel tolls impose severe economic hardship on the citizens of Hampton Roads, including the members of the military stationed in the region and their families, and the economies of the region and the Commonwealth as a whole; and

WHEREAS, studies have shown that the Midtown and Downtown Tunnel tolls disproportionately impact the population of Portsmouth, which has the lowest median income and highest percentage of minority residents in the region; and

WHEREAS, the ERC contract further contains anti-competitive provisions that may require the Commonwealth to pay compensation as a result of the construction of other crucial transportation improvements, such as the Hampton Roads Bridge Tunnel Expansion and the I-64 Southside Widening/High Rise Bridge project; and

WHEREAS, the operation of a toll system at the Downtown and Midtown Tunnels independently of the rest of the regional transportation network hampers transportation policy and the development of efficient regional strategies; and

WHEREAS, the City of Portsmouth appreciates the efforts of the General Assembly and of current and prior gubernatorial administrations to partially mitigate the impact of the ERC contract and the tolls through buy-down, relief and other programs; and

WHEREAS, as appreciated and necessary as those measures have been, they have served only as temporary fixes, and they do not address the fundamental problems that the ERC contract has created and will continue to create for the next half century; and

WHEREAS, the Commonwealth has an estimated Two Billion Dollar budget surplus, will receive over Four Billion Dollars under the American Rescue Plan Act, and is likely to receive significant infrastructure funding from the federal government in future years; and

WHEREAS, the time is now to permanently resolve the issues created by the ERC contract;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portsmouth, Virginia, that:

1. It respectfully requests that the Governor and the General Assembly act now to relieve Portsmouth, Hampton Roads, and the Commonwealth of the burdens created by the ERC contract, either through buying back the contract or creating a means of permanently and significantly lowering the tolls on the Downtown and Midtown Tunnels;

2. It respectfully requests that the members of the Portsmouth legislative delegation introduce such bills, and take such further actions, as may be consistent with achieving the goal of this Resolution; and

3. This Resolution shall take effect on the date of adoption.

ADOPTED by the Council of the City of Portsmouth, Virginia, at a meeting held on July 27, 2021.

Teste:

City Clerk