

MEETING REPORT

DATE OF MEETING: August 11, 1994

GROUP/SUBJECT: Joint Policy Advisory Committee on Transportation (JPACT)

PERSONS ATTENDING: Members: Chair Rod Monroe, Susan McLain and Jon Kvistad, Metro Council; Bernie Giusto, Cities of Multnomah County; Earl Blumenauer, City of Portland; Gregory Green (alt.), DEQ; Tanya Collier, Multnomah County; Royce Pollard, City of Vancouver; Roy Rogers, Washington County; Dave Lohman (alt.), Port of Portland; Tom Walsh, Tri-Met; Rob Drake, Cities of Washington County; Dave Sturdevant, Clark County; Ed Lindquist, Clackamas County; and Bruce Warner, ODOT

Guests: Rex Gilley, Jubitz; Paul Shirey, Steve Dotterer, and Rosemary Brinson Siipola, City of Portland; Dave Williams, ODOT; Xavier Falconi, City of Lake Oswego; Sandra Doubleday, City of Gresham; Kathy Lehtola, Washington County; Bob Bothman, MCCI; Jim Howell, Citizens for Better Transit; Kathy Busse, Multnomah County; Tom VanderZanden and Rod Sandoz, Clackamas County; Susie Lahsene and Brian Campbell, Port of Portland; David Calver and Gerald Fox, Tri-Met; and Ted Spence, Citizen.

Staff: Richard Brandman, Gail Ryder, Leon Skiles, Mike Hogle and Lois Kaplan, Secretary

MEDIA: Gordon Oliver, The Oregonian

SUMMARY:

The meeting was called to order and a quorum declared by Chair Rod Monroe.

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Commissioner Lindquist moved, seconded by Mayor Drake, to approve the July 14, 1994 JPACT Meeting Report as written. The motion PASSED unanimously.

CONSTRUCTION EXCISE TAX

Chair Monroe reported that MPAC had overwhelmingly endorsed the proposed construction excise tax at its August 10 meeting. Although it wasn't on the planned agenda, he asked that JPACT

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consider a similar endorsement for submittal at the August 25 Metro Council meeting. He distributed copies of the proposed ordinance that would establish a construction excise tax to reduce the Metro excise tax, reduce solid waste rates, and refund planning service fees to local governments. In addition, a letter addressed to MPAC from Jim Zehren was distributed, urging support of the construction excise tax.

Chair Monroe indicated that the construction excise tax would create a tax on new commercial or residential construction at 12¢ per square foot. It would provide about half of Metro's long-term growth planning needs and allow it to reduce the excise tax from 7.5 percent to 6 percent. It would also rebate the unused portion of the local government dues, would be reviewed again in 1998, and "sunseted" in the year 2000.

Bruce Warner commented that he was uncomfortable in taking action at this time as he was not comfortable in supporting the concept. He asked whether this tax falls under Ballot Measure 5 and was assured it does not.

Councilor Giusto wanted to know what the letter would say before he made a commitment for endorsement. Chair Monroe indicated it would be drafted by Richard Brandman or Andy Cotugno in support of the construction excise tax and would be submitted to Metro Council at its August 25 meeting. Richard Brandman concluded that there were members who wanted further review of the information, there was a need for better understanding, and that it may not be an appropriate time to consider the proposal's approval. He noted that there is support for Metro to no longer rely on dues.

In further discussion, Commissioner Rogers asked whether the local jurisdictions would be asked to collect these taxes. Chair Monroe responded that the mechanisms call for Metro to enter into an intergovernmental agreement for collection of taxes or it could be collected by Metro. There's provision for a 5 percent fee for administrative handling costs incurred by any jurisdiction collecting taxes. Metro would have the responsibility of communicating with the building industry and a "hotline" would be installed for inquiries. Chair Monroe clarified that there would be no real estate transfer tax and that the tax would apply only to new construction. He also acknowledged having received a letter from Commissioner Hays expressing her concerns.

Commissioner Rogers indicated that he would have to vote "no" at this time for lack of adequate review.

Tom Walsh suggested the Committee be given an opportunity to look over the material and that a letter be circulated to the members

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for signature before the August 25 Metro Council meeting. He felt that the proposed excise tax is a constructive step and headed in the right direction. The planning efforts are crucial for the transportation investments to be made.

Richard Brandman suggested that letters of support be drafted by the individual jurisdictions and submitted to Metro Council.

Councilor Kvistad felt that Metro needs a general tax base. He cited the need for a general source of revenue and objected to the tax proposal, noting that it would be actively opposed.

There was consensus that a letter be drafted and routed to JPACT members for signature in support of the construction excise tax with the intent of submitting it to Metro Council on August 25.

RESOLUTION NO. 94-2015 - AMENDING THE FY 1995 METRO TIP TO ALLOCATE FUNDS TO TWO ROAD WIDENING PROJECTS AND ACKNOWLEDGING MISCELLANEOUS ADMINISTRATIVE AMENDMENTS

Mike Hoglund explained that Resolution No. 94-2015 is a multi-purpose resolution: it amends the TIP to add two projects; it provides maintenance and preservation funds that are being administered through the TIP; and declares that the Metro TIP is incorporated in the state TIP. Both projects are in the RTP, have been modeled for air quality conformity, and are described in Exhibit A. The projects in question are unrelated to the "cut" package.

Action Taken: Bruce Warner moved, seconded by Commissioner Lindquist, to recommend approval of Resolution No. 94-2015, amending the FY 1995 Metro Transportation Improvement Program to allocate funds to two road widening projects and acknowledging miscellaneous administrative amendments. The motion PASSED unanimously.

UPDATE ON GENERAL OBLIGATION BOND MEASURE

Tom Walsh distributed a copy of Resolution 94-07-54, Tri-Met's resolution that is moving the \$475 million General Obligation bond for the South/North light rail line toward the November ballot. He indicated that the measure was strongly endorsed by the region during the public hearings. He noted overwhelming support at the hearings and expressed his appreciation to everyone for their support.

Tom reported that Bill Robertson will chair the campaign committee and has retained Julie Williamson to work on the ballot measure. A campaign budget of \$600,000 has been set. He noted there is high community support for the campaign, that \$200,000

has already been raised and that Neil Goldschmidt is enthusiastically supportive of this measure. He indicated that the next 90 days represents hard work. In our approach with the business community, he cited the importance of emphasizing that this is a "package" and that the regional 1995 measure will provide for the rest of the transportation system.

RESULTS OF 2040 COMMODITY FLOW STUDY

Dave Lohman reported that the 2040 Commodity Flow Study was funded by Metro and the Port of Portland at a cost of \$42,000. The analysis is being done as part of the 2040 study to address freight mobility concerns in the next 50 years and their impact on land use issues. The study was conducted by a consultant team from DRI/McGraw-Hill with direction provided by a subcommittee of TPAC.

The study concluded that the Portland area has achieved tremendous success as a trade distribution and warehousing center. Dave noted that Portland's share of the economy attributed to trade is 26 percent and its ratio of wholesale to retail is 2.7 to 1. The national wholesale/retail ratio is 1.7 to 1.

The analysis also indicates that Portland has a competitive edge because of its quick transfer among various modes, and its role as a trade and distribution center is acknowledged as a basic industry in the regional economy. He cited the importance of the transportation interchange as being critical and the need to maintain and enhance our existing transportation system as vital to the economy of the region.

The study analyzes three components: freight activity that supports local consumption; freight activity that is generated by local products and industries for shipments elsewhere; and activity tied to transshipment of freight through the region.

Dave reported that there are 100 trucking companies operating in Portland. There's a 66 percent share of freight tonnage moved by truck; rail's share of freight tonnage moved is 27 percent; and air tonnage is under 1 percent. Freight volume is expected to almost triple by 2040.

Most rail yards and intermodal facility operations are currently congested. Commissioner Blumenauer asked about our inventory of rail yards and whether they are underutilized. He questioned whether there is a need to invest more heavily in some of the truck movements if we might lose some of the rail in 2040. Dave Lohman responded that, by 2040, some additional steps need to be taken. He cited the need to plan for additional space for

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intermodal facilities, to maintain our competitiveness, and for better access to and from the freeways. Susie Lahsene noted that it's a policy issue where you plan for that space: moving intermodal facilities to suburban locations instead of expanding them in their current close-in locations would have significant transportation consequences. She spoke of the benefits of intermodal rail yards' proximity to the distribution companies.

Dave Lohman commented on new intermodal hubs being constructed on the outskirts of Chicago. He spoke of the link between economic activity, freight flows, transportation activity, infrastructure requirements and system performance. He noted that Portland is primarily an "export" port. The rail cars drop off the containers and then proceed on for domestic use.

Commissioner Lindquist felt that this issue's priority should perhaps be addressed. He suggested that JPACT have stronger involvement in raising this issue to more prominence, encouraging everyone to read the summary.

Further discussion centered on the need for land to be available for distribution of transportation facilities, more space provided for additional warehousing and ease of distribution.

Chair Monroe thanked Dave Lohman for his informative presentation.

SOUTH/NORTH PROJECT BRIEFING

Richard Brandman reported that there would be a lot of activity over the coming months in the South/North Study process. He explained that Tier I deals with the narrowing of terminus and alignment options and the Tier II phase relates to the actual development of a Draft Environmental Impact Statement (DEIS) based on the recommendation developed through the Tier I process. A summary document of technical information, known as the Briefing Document, has been developed.

Committee members were interested in learning how the General Obligation bond measure relates to the process and what the schedule is. Richard responded that the schedule will remain the same whether or not the LRT bond measure passes. Today's briefing is an update of what happened in the Tier I process.

A description then followed on the alignment alternatives being considered and the narrowing of terminus alternatives. In the south end, the three terminus alternatives being considered include: an Oregon City terminus (via I-205 or McLoughlin), the Clackamas Town Center terminus, and the Milwaukie CBD terminus. In the north segment, there are five terminus alternatives:

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179th Street in Clark County; 134th Street; vicinity of 88th Street in Vancouver; Vancouver CBD (39th Street north of downtown); and one near the Vancouver mall.

The LRT alignment alternatives being considered include: the Portland CBD to Milwaukie CBD; the Portland CBD; the Portland CBD to Vancouver CBD; and the Vancouver CBD to 179th Street.

Also discussed were the different alignment options, river crossings, and new bridge options. Options being considered in the downtown include a surface versus subway alignment. Other options being explored in Clark County and Vancouver include an alignment along I-5 and an option along the median of 99.

Options discussed across the Columbia include: a tunnel under the Columbia River, a lift span bridge, and a higher level bridge that would never have to open.

Criteria utilized in the study for identifying alternatives include environmental impacts, developmental opportunities, transportation issues, regional plans, new state regulations, and economic considerations.

Leon Skiles, South/North Study Project Manager, reviewed the purpose and need and goals and objectives of the South/North Transit Corridor Study followed through the Tier I process. He cited the objectives as the following: provide high-quality transit service; ensure effective transit system operations; maximize the ability of the transit system to accommodate future growth in travel demand; minimize traffic congestion and traffic infiltration through neighborhoods; promote desired land use patterns and development; provide for a fiscally stable and financially efficient transit system; and maximize the efficiency and environmental sensitivity of the engineering design of the proposed project.

Matters relating to the description of alternatives, light rail, the No-Build and TSM improvements will advance into the Tier II phase of the study. Leon noted that costs range between \$2 billion and \$3.5 billion depending on alternatives. He clarified that the alternatives are defined within their particular segment and the numbers are only comparable within that segment and cannot be compared between corridors. Leon noted that the emphasis is on the year-of-expenditure cost. The alternatives' cost-effectiveness is measured by the ratio on how the different alternatives perform. He indicated that the Briefing Document is derived from the Technical Summary Report. Staff has tried to lay out the advantages and disadvantages of each alternative considered.

Leon spoke of the trade-offs, benefits, disadvantages and advantages, and travel time improvements in consideration of the alternatives. Richard Brandman pointed out that the travel time findings were of key importance in this study. He indicated that transit travel times are recognized as a long-term investment in the year 2015. He emphasized that the study included a full ridership projection of auto, transit, travel patterns, and bus networks. Commissioner Blumenauer suggested the usefulness of a one-page summary sheet on ridership and Richard Brandman indicated one was near completion.

Leon Skiles noted that one of the key factors in the cost numbers for the alternatives is the cost of using the Hawthorne Bridge from downtown Portland to Milwaukie. He emphasized the fact that, whether a bridge may cost less or more, it may cost you more to get to that bridge. In terms of alignment alternatives, the choice rests with which area you want to serve. He elaborated further on the issues of ridership, cost and land use that still need to be addressed. It was clarified that this analysis was based on existing land use plans.

A discussion followed on the Ross Island Bridge crossing. Richard Brandman reported that there are a number of issues involved including developmental opportunities, environmental concerns, engineering constraints and cost. He noted that different bridge construction techniques are being explored but an alignment next to the existing Ross Island Bridge is viable. The assumption is that it would be a bridge rather than a tunnel because of cost. Richard cited the steep banks as creating a cost problem for tunneling. He noted that the financing plan would be to secure 50 percent federal funds. With a \$475 million General Obligation bond, the expectation is that they will be seeking an equivalent amount of funds (\$475 million) from the State of Oregon. He noted that an equivalent share (\$475 million) is expected from the State of Washington. Richard cited the need to better define the project in order to determine the State of Washington's share but they are looking at one-third of the total local match.

Richard indicated that the PMG would be releasing its recommendation to the CAC later this month. A possible Steering Group meeting may be scheduled later in September. Four public meetings are scheduled for September 6, 7 and 8. The Steering Group will meet October 6 to define their recommendation for forwarding to the jurisdictions and C-TRAN with final adoption anticipated by Metro Council in December.

Richard reviewed the handout on the proposed Tier I schedule and key milestone dates. He felt the South/North LRT project could be operational within the 2004 or 2006 timeframe.

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Councilor Kvistad raised questions about Willamette River bridge costs. Richard responded that the cost of the bridge is not as relevant as the cost of the segment. Commissioner Blumenauer noted that there are two issues involved: there is a cost differential and you lose a lot of ridership if the alignment is not located on the Westside.

ADJOURNMENT

There being no further business, the meeting was adjourned.

REPORT WRITTEN BY: Lois Kaplan

COPIES TO: Rena Cusma
Dick Engstrom
JPACT Members