

MEETING REPORT

DATE OF MEETING: July 13, 1989

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

PERSONS ATTENDING: Members: Chairman Ragsdale, Metro Council;
George Van Bergen and Jim Gardner, Metro
Council; Earl Blumenauer, City of Portland;
Bob Post (alt.), Tri-Met; Carter MacNichol,
Port of Portland; Ed Lindquist, Clackamas
County; Wade Byers, Cities of Clackamas
County; Nick Nikkila, DEQ; Bob Bothman, ODOT;
Gary Demich, WSDOT; Clifford Clark, Cities of
Washington County; Pauline Anderson, Mult-
nomah County; and Roy Rogers (alt.), Washing-
ton County

Guests: Metro Councilor Richard Devlin
(JPACT alt.); John Frewing, Eastmoreland
Neighborhood Association; Robert Dreyfuss,
citizen of Clark County; Dick Feeney, Phil
Whitmore and Lee Hames, Tri-Met; Keith Ahola,
WSDOT; Les White and Kim Chin, C-TRAN; Dean
Lookingbill, IRC of Clark County; Stewart
Reif, Southeast Uplift; Craig Lomnicki, City
of Milwaukie Councilman; Dan Bartlett and
Bill Adams, City of Milwaukie; Steve Dot-
terrer and Grace Crunican, City of Portland;
Bette Howard, Woodstock Neighborhood Associa-
tion; Rick Parker, CEIC; Winston Kurth,
Clackamas County; Molly O'Reilly, Forest Park
Neighborhood Association; Bebe Rucker, Port
of Portland; Susie Lahsene, Multnomah County;
and Denny Moore (Public Transit Division) and
Don Adams (JPACT alt.), ODOT

Staff: Andrew Cotugno, Keith Lawton, Richard
Brandman, Bob Hart, Karen Thackston and Lois
Kaplan, Secretary

MEDIA: Robert Goldfield, Daily Journal of Commerce

SUMMARY:

The meeting was called to order by Chairman Mike Ragsdale.

MEETING REPORT

The June 8 JPACT meeting report was approved as written.

SOUTHEAST CORRIDOR STUDY

Richard Brandman reviewed the findings, conclusions and recommendations of the Southeast Corridor Study. He discussed the one and one-half year public involvement process, the alternatives studied, the significant environmental and residential impacts addressed, and the variations in recommendations between the Citizens Advisory Committee (CAC) and the Technical Advisory Committee (TAC). He emphasized that the TAC and the CAC did not feel that a new arterial in the Johnson Creek Boulevard corridor was warranted at this time. He also discussed briefly other alternatives which were considered and ultimately rejected. There was, however, considerable support from the CAC regarding railbus with the TAC recommending that a discussion on railbus be presented to JPACT this fall. Richard noted that the projects recommended in the Southeast Transportation Improvement Plan were assessed for priority of need and listed in that manner by the CAC.

Richard reported on comments received at the June 5 Southeast Corridor public hearing and highlighted changes that were incorporated in the Southeast Corridor Transportation Improvement Plan as a follow-up to that meeting. He then reviewed the projects comprising the Southeast Corridor transportation plan which, if approved, would be eligible to compete for funds from the McLoughlin Corridor Interstate Reserve.

Andy Cotugno reported that TPAC at its June 30 meeting recommended adoption of the resolution but concerns were expressed relating to the localized nature of some of the improvement projects and the question of their inclusion in the Regional Transportation Plan and their eligibility to compete for funds from the McLoughlin Reserve.

Richard Brandman indicated that the Milwaukie City Council is scheduled to consider the Southeast Corridor Study at its meeting on July 18 and may add certain conditions:

- . They want to redefine the definition of a through trip (if it starts at 28th and proceeds past 45th Avenue);
- . That traffic counts be conducted prior to the opening of the Tacoma Overpass, following its opening, and a year later;

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- . That a new study be initiated if traffic increases by more than 15 percent; and
- . That these projects be considered "temporary" in the likelihood that they would someday want to have an arterial in the Johnson Creek basin.

Craig Lomnicki, City Councilman of Milwaukie, expressed concern over the inability of staff to solve the traffic problem on Johnson Creek Boulevard, citing a projected 8 percent p.m. peak-hour traffic increase by 2005. He reiterated the concern of Milwaukie that if the increase goes beyond 15 percent, Milwaukie would like Metro to re-examine the solution to the traffic problem in the Johnson Creek basin. He did not feel that any of the recommendations addressed the problem or offered measures to provide relief there. Milwaukie would like to have any traffic to/from the industrial basin (beyond the Tacoma Overpass on the west and 45th Street on the east) considered as through trips rather than localized trips.

Councilman Lomnicki asked that the Southeast Corridor traffic flow issue be re-examined at the time of the River Crossing Study.

Commissioner Anderson questioned the appropriateness of funding projects in the Southeast Corridor Transportation Improvement Plan that were localized in nature from the McLoughlin Reserve (citing curb extensions, signals, and sidewalks as examples). She felt that the City of Portland and City of Milwaukie should be responsible for such improvements and that their local Federal-Aid Urban funds should be sought for that purpose. In response, Andy Cotugno noted that this resolution does not allocate funds to these projects but allows them to be considered along with other projects for such funding. Commissioner Anderson wanted to be on record as opposing funding from the McLoughlin Reserve for such localized projects as she did not feel it would be appropriate.

Bette Howard, Chair of the Woodstock Neighborhood Association and member of the CAC, reported that she had gained a great deal of insight on the problems of the Southeast Corridor while serving on the Citizens Advisory Committee. Her comments reflected the fact that the Woodstock neighborhood would be impacted by the McLoughlin improvement and since there are federal funds involved, projects to deal with the impact should also be eligible. Furthermore, she felt that the cities of Milwaukie and Portland do not have funds for such improvements.

John Frewing, a member of the Citizens Advisory Committee, spoke

of the regional need for railbus which could be provided for 10 percent of the cost of LRT and that consideration should be given for such use in the area from Gresham to Hillsboro. He felt the region should be looking to scale back the McLoughlin project itself so that there is money for this project. He pointed out that the McLoughlin Corridor Resolution (No. 86-632) allowed for improvements to these impacted east/west streets. Commissioner Lindquist concurred with the east/west commitment made at the time of approval of the McLoughlin Corridor Reserve.

Stewart Reif, a member of the Citizens Advisory Committee, stated that there was an understanding on the part of the Committee at the onset of their meetings that funds were available from the McLoughlin Reserve and that they were participating in a good-faith effort for such improvements.

A discussion followed on whether or not to defer action on this resolution and the need to keep faith with the people from these neighborhoods. Along that line, the possibility of scaling back the McLoughlin improvements was discussed and the issue of LRT with the City of Milwaukie for longer term solutions. The Committee agreed to take action on the resolution following adoption by all the local jurisdictions.

Motion: It was moved and seconded to defer action on Resolution No. 89-1108 for a future JPACT meeting.

In discussion, Andy Cotugno commented that the Citizens Advisory Committee worked a long time on the Southeast Corridor Study and pointed out that priorities must be established for the Six-Year Program by early fall in order to know how much should be allocated from the McLoughlin Reserve.

With regard to a proposed scale-back of McLoughlin Corridor improvements, Don Adams, Region I Engineer for ODOT, questioned how much could be saved by reducing standards. Bob Bothman also spoke of the unknown costs of mitigating the traffic impacts of the Tacoma Overpass and felt that there were unrealistic expectations of \$7-8 million of projects; he felt the project list should be pared down and felt its size was unrealistic in view of the overruns of the McLoughlin project.

Richard Brandman pointed out that it was made clear to the Citizens Advisory Committee from the start that it was unlikely that all the projects would be funded from the McLoughlin Reserve, but an attempt was made to identify traffic problems in the Southeast Corridor and what should be done to resolve them.

Action Taken: In calling for the question, the motion PASSED

unanimously. Chairman Ragsdale indicated this resolution would be referred back to JPACT at its next monthly meeting.

AMENDING THE TIP FOR TRI-MET'S SECTION 9 AND SECTION 3
DISCRETIONARY PROGRAMS

Andy Cotugno reminded the Committee of a memo approved at their May 11 meeting endorsing a comprehensive program relating to federal funding of the region's transit and highway programs for submittal to Congressman AuCoin. This resolution begins the process of adopting one portion of that comprehensive program. Andy then reviewed the Staff Report and Resolution that would amend the TIP for Tri-Met's FY 89 Section 9 grant and include Section 3 Discretionary funding for Project Breakeven.

Phil Whitmore, Manager of Joint Development for Tri-Met, stated that the portion of Project Breakeven funding for the hotel would go toward land acquisition, which would in turn be leased to the hotel, and would not go toward subsidizing the hotel. It is anticipated that the hotel would generate revenues in the amount of \$650-700,000 to Tri-Met through a combination of lease revenue and ridership.

A discussion followed regarding the need for protection of those assets acquired by Tri-Met and the process Tri-Met plans to follow to establish safeguards. Phil Whitmore spoke of negotiations that would be necessary between Tri-Met and UMTA, Tri-Met and the Portland Development Commission, the Portland Development Commission and the hotel, and the hotel and lender before a final deal is struck. He indicated that a subordinated lease would be entered into in the amount of the value of the property and a Letter of Credit would be sought by Tri-Met from the bank for protection of the asset. In the event of a default, the bank's Letter of Credit would protect the asset. He emphasized the need for a major hotel for booking conventions and the fact that the hotel initially will lose money.

Chairman Ragsdale expressed his concern over transit funds being used for something other than transit needs. He felt there would be a significant depreciation in value of the parcel should the hotel fail and questioned who the guarantor would be. He also felt there were too many "ifs" relating to the project (i.e., whether a Letter of Credit can be obtained and whether the Portland Development Commission would guarantee the project) for JPACT to pre-endorse the hotel site acquisition. He did not, however, wish to frustrate Tri-Met's efforts to move ahead but was concerned that it might present a risky real estate transaction. Carter MacNichol expressed similar concerns to those of Chairman Ragsdale and offered to help discuss ways in which to

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structure the deal. Councilor Gardner expressed the same concerns because of the "unknowns" but was supportive of the project, and felt that new ground was being broken and that it should move forward.

Concerns expressed by those present centered on the need to protect the transit investment in this project with the recognition that funding for subsidizing the hotel should be provided by others.

Andy Cotugno indicated that there is a basic conflict between the need to include the project in the TIP before there can be a grant application versus the fact that all the proper commitments can't be made until well after a grant is awarded. As such, because this step is very early in the process, all of the final answers cannot be provided to JPACT.

A discussion followed on two alternatives that could be followed: splitting the funds, inasmuch as the shopping center portion is less risky, and therefore deferring the hotel component; or approving the funds for the hotel but with conditions.

Commissioner Blumenauer felt that UMTA routinely requires more restrictions than less and did not feel we should make it any more difficult for Tri-Met. He spoke of the importance of getting the project moving, the fact that a renewal district is in place, and noted that the subsidy for the hotel is coming from other sources. He questioned the risk aspect of it, feeling that the risk to Tri-Met is minimal and cited the opportunity to help MAX. He did not see any risk for JPACT or Tri-Met nor any reason why it should not be enthusiastically supported.

With regard to proposed conditions to be placed on the funding, Commissioner Blumenauer hoped that the resolution would reflect a unanimous agreement for the project without conditions and that the minutes reflect the sentiment of the Committee that the transit funding not be jeopardized.

Action Taken: It was moved and seconded to recommend approval of Resolution 89-1109 for the purpose of amending the TIP for Tri-Met's Section 9 and Section 3 Discretionary programs; there was unanimous Committee agreement that other sources of funds should be used to subsidize the hotel and that Tri-Met should not bear a disproportionate share of the risk of losing the value of its asset in the event financial problems with the hotel develop. Motion PASSED unanimously.

AMENDING THE UWP FOR BI-STATE TRANSPORTATION STUDY

Andy Cotugno reviewed the proposed work scope for the Bi-state Transportation Study which he noted was in compliance with the Position Paper adopted by JPACT at its March 9 meeting. The proposal recommends proceeding with all transportation-related tasks in the work scope with land use considerations being undertaken by Metro's Urban Growth Management Program.

A discussion followed on the need for land use policy direction and for an evaluation of the current transportation system and that of the adopted Regional Transportation Plan system.

A handout was distributed by Gary Demich detailing expenses and revenues of the proposed bi-state budget for the various agencies, which he reviewed for the Committee. Andy Cotugno indicated that the budget must be reviewed first by ODOT, Tri-Met and Portland staff prior to adoption.

Commissioner Rogers spoke of the State of Washington tax advantage over that of Oregon and overriding economic benefits to Clark County as a result of this study. He questioned the economic viability of the study for the Portland metropolitan area. In response, Andy Cotugno noted that the work scope was down-scoped from one that was more aggressive and more comprehensive in nature, that it still meets the needs of bi-state travel, does not consider the issue of new bridges, but would expand upon a previously adopted plan to provide light-rail transit to Clark County. Andy felt this analysis is more limited in scope and reflects upon what has already been adopted and should therefore proceed.

Action Taken: It was moved and seconded that a resolution be adopted incorporating the work scope and budget as an amendment to the FY 90 Unified Work Program for the Bi-state Transportation Study. Motion PASSED unanimously.

AUTHORIZING FEDERAL FUNDS FOR A SECTION 16(b)(2) SPECIAL TRANSPORTATION PROJECT AND AMENDING THE TIP

Action Taken: It was moved and seconded to recommend approval of Resolution No. 89-1111 authorizing federal funds for a Section 16(b)(2) special transportation project (Volunteer Transportation Program) and amending the Transportation Improvement Program. Motion PASSED unanimously.

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JPACT MEMBERSHIP STATUS REPORT

This agenda item was postponed until the next JPACT meeting at which time a comprehensive report will be presented.

LEGISLATIVE REPORT

Dick Feeney highlighted the major accomplishments realized from legislation passed at the 1989 session of the Legislature. Bills reviewed included the following: HB 3447; HB 3446; SJR 12; HB 3056; HB 3209; HB 3262; HB 2710; SB 475; SB 476; and HB 3055. A capsulized review of the bills is attached for the record.

ADJOURNMENT

There being no further business, the meeting was adjourned.

REPORT WRITTEN BY: Lois Kaplan

COPIES TO: Rena Cusma
Dick Engstrom
JPACT Members

Attachment