

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ENDORSING ) RESOLUTION NO. 87-834  
THE RECOMMENDATIONS OF THE )  
JEFFERSON STREET PROJECT'S POLICY ) Introduced by  
ADVISORY COMMITTEE AND COMMITTING ) Councilor Jim Gardner  
FUNDS TO PURCHASE OF THE RAIL LINE )

WHEREAS, The Metropolitan Service District has been participating in the Jefferson Street Project local government consortium since December 1986; and

WHEREAS, The Southern Pacific Railroad has gained permission from the Interstate Commerce Commission to discontinue freight service on the Jefferson Street Branch extending from Portland to Lake Oswego and announced its desire to sell the rail corridor intact; and

WHEREAS, The rail line has been in existence for nearly 100 years, and is a valuable transportation resource which is capable of relieving current and future transportation problems in the Macadam/Lake Oswego Corridor, and allows for economic development within that corridor; and

WHEREAS, The action of the Southern Pacific Railroad presents the region with a unique opportunity to acquire the corridor for public use at a relatively low cost; and

WHEREAS, The state Legislature in 1986 approved use of "stripper well" funds of up to \$975,000 as 50-50 match for the acquisition and associated costs; and

WHEREAS, The local governments have to date provided \$225,800 in cash allocations to purchase an option/lease on the line and fund other activities related to acquisition; and

WHEREAS, The local governments have also provided in excess of \$75,000 in staff time spent on the project; and

WHEREAS, The Jefferson Street Branch is designated as a Regional Transitway in the City of Portland Arterial Streets Classification Policy adopted in June 1977 and updated in October 1983, and designated as a Regional Transit Trunk Route in the Regional Transportation Plan for the Portland metropolitan area, adopted July 1982; and

WHEREAS, Transportation studies undertaken by the City of Portland and Metro in 1985 and 1986 have established a need for major capacity increases in the I-5 and Macadam areas to serve projected growth. Because major increases in highway capacity are both expensive and disruptive to adjacent development, rail transit is an efficient means of providing this capacity; and

WHEREAS, Eventual extension of service into Lake Oswego is a necessary part of this project and has been agreed to by Southern Pacific; and

WHEREAS, Excursion trolley service on the line, begun on September 12, 1987, has received public acceptance and appears to be successful; and

WHEREAS, Eventual extension into downtown Portland is desirable for the long-term use of the line; and

WHEREAS, Further evaluation of the options for future use is needed before the commitment of public funding beyond the \$1,837,500 now estimated; and

WHEREAS, Purchase of the right-of-way and title held by the City of Portland will not change jurisdictional boundaries or the legal status of any proposed annexation; and

WHEREAS, The final release of the \$975,000 "stripper well" funds has not yet been approved by appropriate authorities; and

WHEREAS, Litigation pending in Multnomah County Circuit Court (Southern Pacific Transportation Company and City of Portland vs. Thomas W. Cummins and Emily M. Cummins, No. A8705-02900) will affect the title of portions of the right-of-way, with a decision expected by mid-December 1987; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

1. Affirms its support for preservation of the Jefferson Street Branch as a public transportation resource by the timely cooperative public purchase of the corridor.

2. Intends to budget funds in FY 1989 for purchase of the Jefferson Street Branch rail line in the amount of \$20,898.

3. Stipulates that the actual purchase be contingent on a Multnomah County Circuit Court decision in Southern Pacific Transportation Company and City of Portland vs. Thomas W. Cummins and Emily M. Cummins, No. A8705-02900, favorable to Southern Pacific and City of Portland, and on final unconditional release of the "stripper well" funds.

4. Recommends that funds in the amount of \$200,000 from local funds and \$200,000 from stripper well funds be reserved for the rail extension into Lake Oswego.

5. Endorses the City of Portland extending the rail line to downtown Portland at no additional expense to the participating local governments.

6. Recommends that the title of the right-of-way be held by the City of Portland, who must receive approval of the participating governments before any sale, disposition or change of use in the right-of-way.

7. Recommends that an intergovernmental agreement be drafted for adoption by the participating governments to state the commitments of each government and their relationships with regard to the purchase. Included in this agreement will be provisions for use of the right-of-way by all participating governments.

ADOPTED by the Council of the Metropolitan Service District  
this 22nd day of December, 1987.

  
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Jim Gardner,  
Deputy Presiding Officer

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12/03/87

CONSIDERATION OF RESOLUTION NO. 87-834 FOR THE  
PURPOSE OF ENDORSING THE RECOMMENDATIONS OF THE  
JEFFERSON STREET PROJECT'S POLICY ADVISORY  
COMMITTEE AND COMMITTING FUNDS TO SUPPORT THE  
PURCHASE OF THE RAIL LINE

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Date: December 3, 1987

Presented by: Jim Gardner

FACTUAL BACKGROUND AND ANALYSIS

Since December 1986, Metro has participated in an intergovernmental consortium which has been examining the desirability and feasibility of purchasing from the Southern Pacific Transportation Company the Jefferson Street Branch rail line from Portland to Lake Oswego. The consortium is composed of the City of Portland, City of Lake Oswego, Multnomah and Clackamas counties, Tri-Met and Metro.

On December 1, 1987, the project's Policy Advisory Committee met and recommended that the line be purchased at a cost of \$800,000 with an additional \$400,000 reserved for construction of an extension to Lake Oswego, and \$637,500 being budgeted for costs associated with acquisition including legal, track rehabilitation, and project planning. Actual purchase of the line is conditional on a favorable Circuit Court decision in the case of Southern Pacific Transportation Company and City of Portland vs. Thomas W. Cummins and Emily M. Cummins, No. A8705-02900, and on final release of the federal "stripper well" funds, which will be used as a 50-50 match in the acquisition.

The project's Policy Advisory Committee also endorsed the following breakdown for additional funds required to purchase the rail line:

City of Portland	52%	\$217,334
City of Lake Oswego	21%	87,770
Clackamas County	11%	45,975
Multnomah County	11%	45,975
Metro	5%	20,898
		<u>\$417,950</u>

None of these funds would be used for operations. Efforts to find operating funds are being conducted separately. Some of these funds would be budgeted for maintenance of the right-of-way for the next two years, with continuing maintenance thereafter being the responsibility of the City of Portland.

Adoption of this resolution would establish the Council intent to budget \$20,898 in next year's budget as Metro's contribution to purchase the right-of-way.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 87-834.

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12/03/87

9.3 Consideration of Resolution No. 87-834, for the Purpose of Endorsing the Recommendations of the Jefferson Street Project's Policy Advisory Committee and Committee Funds to Support the Purchase of the Rail Line

Councilor Gardner, member of the Policy Advisory Committee, summarized the written report. He explained the committee recommended the Jefferson Street Rail Line be preserved at minimum cost to ensure it would be available at some future time for a light rail project. Richard Brandman, Metro Transportation Analyst, and Ann McLoughlin, City of Portland Transportation Department, were present to answer questions of Councilors.

A discussion followed about the cost to local governments for preserving the rail line. Councilor Gardner explained the estimated cost of extending the line to Lake Oswego was about \$400,000.

Motion: Councilor Gardner moved, seconded by Councilor Kirkpatrick, to adopt the resolution.

Councilor Ragsdale was concerned the resolution was worded to commit Metro and other local governments to spending funds in future fiscal years in a manner not consistent with budget laws. He proposed any references to future commitments read "intends to commit."

Councilor Cooper did not support the resolution, saying the money for the program would be better spent to pay for new Tri-Met buses. Metro had no business buying rail lines, he said. The Councilor did not think it likely a rail line to Lake Oswego would be built.

Councilor Kelley said she would not support the resolution because Metro's correct role was that of a planning agency, not that of acquiring and constructing transportation projects.

Ann McLoughlin, in addressing Councilor Cooper's earlier concerns, noted areas adjacent to the Jefferson Street Rail Line would be developed as called for in the City of Portland Central Plan. At some point in time, rail transit would be a valuable asset to the City.

Councilor Van Bergen was concerned the resolution did not address matters of easements and deed titles and thought problems would result concerning those matters.

Motion to Amend: Councilor Gardner moved, seconded by Councilor Ragsdale, to amend the resolution as follows (material to be added is underlined; material to be deleted in in brackets):

1) The second "be it resolved" paragraph be changed to read: "[Commits] Intends to budget funds in FY 1989 for purchase of the Jefferson Street Branch rail line in the amount of \$20,898."

2) The fifth "be in resolved" paragraph be changed to read: "Endorses the City of Portland extending the rail line to downtown Portland at no additional expense to the [consortium] participating local governments."

Councilor Ragsdale explained the latter change would address the likelihood of the consortium disbanding.

Vote on the Motion to Amend: A vote on the motion resulted in All ten Councilors present voting aye. Councilors Bonner and DeJardin were absent.

The motion to amend carried.

In response to Councilor Cooper's question, Councilor Gardner reported Tri-Met had contributed \$67,000 to the first phase of the Jefferson Street project. They had not participated financially in this phase because funds had not been available for expansion projects.

Vote on the Main Motion: A vote on the motion to adopt the resolution resulted in:

Ayes: Councilors Collier, Gardner, Hansen, Kirkpatrick, Knowles, Ragsdale, Van Bergen and Waker

Nays: Councilors Cooper and Kelley

Absent: Councilors Bonner and DeJardin

The motion carried and Resolution No. 87-834 was adopted as amended.

9.4 Consideration of Resolution No. 87-820, for the Purpose of Complying with the Clackamas Transfer & Recycling Center (CTRC) Conditional Use Permit

Councilor Gardner reported that negotiations continued between Metro and the city of Oregon City.

Motion: Councilor Gardner moved, seconded by Councilor Knowles, to set the resolution over until January 14 pending completion of negotiations with the city of Oregon City.