

BEFORE THE COUNCIL OF THE
THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING THE) RESOLUTION NO. 89-1109
TRANSPORTATION IMPROVEMENT PROGRAM) Introduced by
FOR TRI-MET'S SECTION 9 AND SECTION 3) Mike Ragsdale, Chair,
DISCRETIONARY PROGRAMS) JPACT

WHEREAS, JPACT has previously approved an overall federal funding program proposed for transit improvements; and

WHEREAS, Tri-Met has prepared a program of projects for FY 1990 using Section 9 funds; and

WHEREAS, new Section 3 discretionary funds in the amount of \$5.5 million have been appropriated, and funds in the amount of \$9.5 million to complete Project Breakeven have been proposed for FY 1990; now, therefore,

BE IT RESOLVED:


1. That the Council of the Metropolitan Service District adopts the Section 9 Program projects for FY 1990 appearing in Exhibit A;

2. That the use of new Section 3 discretionary funding in the amount of \$5.5 million in FY 1989 and \$9.5 million in FY 1990, coupled with Section 9 funds to complete Project Breakeven, is endorsed;

3. That the Transportation Improvement Program be amended to incorporate these allocations and projects;

4. That the Council hereby finds the projects in accordance with the Regional Transportation Plan and hereby gives affirmative intergovernmental project revision approval.

ADOPTED by the Council of the Metropolitan Service District this 27th day of July, 1989.



Mike Ragsdale, Presiding Officer

Exhibit A

SECTION 9 PROGRAM OF PROJECTS FOR FY 1990

1.	Westside Light Rail Project Preliminary Engineering and Final Environmental Impact Statement	\$1,863,200
2.	Project Breakeven (partial funding for land acquisition, design and construction of a light rail station and associated improvements on MAX line).	\$4,300,000
3.	Light Rail Vehicles - Air Conditioning Retrofit	\$1,920,000
4.	Service Vehicles	\$53,600
5.	Shop Equipment	\$45,840
6.	Computer Equipment	\$252,080
7.	Telecommunications Equipment	\$24,320
8.	Automatic Vehicle Locator - Demonstration Project	\$40,000
9.	Security Equipment	\$320,000
	Subtotal Capital:	\$8,819,040
	OPERATING ASSISTANCE (Up to 50% Funding) For period from July 1, 1989 to June 30, 1990	\$4,108,766
	TOTAL	\$12,927,806

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 89-1109 FOR THE PURPOSE OF AMENDING THE TRANSPORTATION IMPROVEMENT PROGRAM FOR TRI-MET'S SECTION 9 AND SECTION 3 DISCRETIONARY PROGRAMS

Date: June 26, 1989

Presented by: Andrew Cotugno

PROPOSED ACTION

Adoption of this resolution would amend the Transportation Improvement Program (TIP) to include a program of projects for FY 1990 using Section 9 funds. In addition, it would amend the TIP to include \$5.5 million in FY 1989 and \$9.5 million in FY 1990 of Section 3 discretionary funds to complete Project Breakeven.

FACTUAL BACKGROUND AND ANALYSIS

JPACT, in May 1989, approved a series of recommendations concerning federal actions required for transit funding. Among the items approved was an UMTA funding proposal for fiscal years 1990 through 1993 with provision that specific TIP amendments to implement the program would later follow.

This first step to implement the above program appears in Exhibit A to the resolution and focuses on Section 9 funding.

Augmenting the Section 9 Program is \$9.5 million of new Section 3 funding to complete Project Breakeven. This is in addition to \$5.5 million of previous Section 3 (1989) appropriations and \$4.3 million of proposed locally controlled Section 9 funding in Exhibit A. Funding for Project Breakeven will allow acquisition of land by Tri-Met. The land will in turn be leased back to private interests at commercial rates for private development. The lease revenues and new farebox revenues will help defray the operating costs of the existing MAX route. Implementation of this concept is one of the key recommendations of the Public/Private Task Force on Transit Finance previously adopted by JPACT.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 89-1109.

INTERGOVERNMENTAL RELATIONS
COMMITTEE REPORT

RESOLUTION NO. 89-1109, AMENDING THE TRANSPORTATION IMPROVEMENT PROGRAM FOR TRI-MET'S SECTION 9 AND SECTION 3 DISCRETIONARY PROGRAMS

Date: July 14, 1989

Presented By: Councilor Gardner

COMMITTEE RECOMMENDATION: At the July 5, 1989 Intergovernmental Relations Committee meeting, members present -- Councilors Bauer, Collier, DeJardin, Devlin and myself -- voted unanimously to recommend Council adoption of Resolution No. 89-1109. No Committee members were absent.

COMMITTEE DISCUSSION/ISSUES: Metro Transportation Planning Manager Richard Brandman presented the resolution which would amend the Transportation Improvement Program (TIP) to include FY 1990 projects funded by Section 9 funds. As noted in the attached staff report, the resolution would also amend the TIP to include \$5.5 million in FY89 and \$9.5 million in FY90 of Section 3 discretionary funds to complete Tri-Met's "Project Breakeven."

A key recommendation of the Public/ Private Task Force on Transit Finance, Project Breakeven allows Tri-Met to acquire land and then lease it back to private interests, at commercial rates, for development. The Project's goal is to increase light rail ridership revenues, through commercial development along the LRT route, and provide additional revenue from the lease-back arrangement. These increased revenues should cover the existing light rail operating costs, eliminating the need for a government subsidy for LRT operations. Staff noted 2 projects under Project Breakeven:

- 1) a shopping center at the end of the LRT line in Gresham, and
- 2) the purchase of approximately 3 blocks of land north of the Oregon Convention Center for a potential Headquarters Hotel.

In reviewing the proposed Section 9 projects, it was noted the Westside Light Rail Project Preliminary Engineering would extend to 185th Street, not Hillsboro. No other issues were raised regarding the proposed projects.

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