

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ALLOCATING I-205)
INTERSTATE TRANSFER FUNDS TO THE)
SOUTH/NORTH ALTERNATIVES ANALYSIS)
AND COMMITTING LRT BOND MEASURE AS)
REPLACEMENT FUNDS AND TO AMEND THE)
FY 94 TIP ACCORDINGLY)

RESOLUTION NO. 93-1845A

Introduced by
Councilor Van Bergen

WHEREAS, Metro Council adopted Resolution No. 93-1825 to amend the FY 1994 Unified Work Program to include a South/North Transit Corridor Alternatives Analysis element and endorsed a revenue budget for the project of \$8.25 million; and

WHEREAS, The endorsed revenue budget for the South/North AA included \$4 million in proposed funds from the State of Oregon; and

WHEREAS, the State of Oregon Legislature appropriated \$2 million in State Lottery funds to the South/North AA; and

WHEREAS, An additional \$4.6 million in funds for the South/North Alternatives Analysis have been or will be secured from the State of Washington, local jurisdictions and FTA leaving a revenue deficit of approximately \$1.6 million; and

WHEREAS, The South/North Corridor Project Management Group has endorsed a proposal to submit an application to the Federal Transit Administration for \$1.6 million in I-205 Busway Interstate Transfer funds to complete the \$8.25 million South/North AA revenue budget; and

WHEREAS, Metro Council adopted Resolution No. 92-1584 which requires JPACT approval to shift the I-205 buslane funds out of the I-205 corridor and will only be considered prior to adoption of an improvement strategy in the I-205 corridor if a concurrent

commitment is made to replace the funds from an alternate source for LRT purposes in the I-205 corridor; and

WHEREAS, Resolution No. 92-1584 further established that final allocation of the buslane funds (or the replacement funds) will be made based upon the I-205/Milwaukie Preliminary Alternatives Analysis together with an implementation funding strategy; now, therefore,

BE IT RESOLVED,

That the Metro Council hereby declares:

1. Metro staff is directed to submit an application to the Federal Transit Administration for up to \$1.6 million in I-205 Busway Interstate Transfer funds (the "I-205 Busway Grant") to complete the \$8.25 million South/North AA revenue budget.

2. Tri-Met is requested to commit an amount equal to the I-205 Busway Grant (but not in excess of \$1.6 million), such commitment to be made with respect to available monies in Tri-Met's Light Rail Construction Fund and such funds to be used to replace these light rail transit funds until a final allocation of the I-205 buslane funds and replacement funds by JPACT and the Metro Council.

3. That the Transportation Improvement Program is amended to program \$1.6 million of Interstate Transfer funds to the South/North Corridor Study and be available in FY 94.

ADOPTED by the Metro Council this 23rd day of September, 1993.


Judy Wyers, Presiding Officer

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 93-1845A FOR THE PURPOSE OF ALLOCATING I-205 INTERSTATE TRANSFER FUNDS TO THE SOUTH/NORTH ALTERNATIVES ANALYSIS AND COMMITTING LRT BOND MEASURE AS REPLACEMENT FUNDS AND TO AMEND THE FY 94 TIP ACCORDINGLY

Date: August 27, 1993

Presented by: Andy Cotugno

PROPOSED ACTION

This resolution would direct Metro staff to submit a request to the Federal Transit Administration (FTA) for up to \$1.6 million in I-205 busway Interstate Transfer funds for use in providing funds for the South/North Alternatives Analysis (AA). This resolution would also ask Tri-Met to pledge up to \$1.6 million (equivalent to the FTA grant request) in Clackamas County Light Rail Transit (LRT) General Obligation (G.O.) bond funds to replace the I-205 busway funds until the Joint Policy Advisory Committee on Transportation (JPACT) makes a final determination of the allocation of the busway funds and replacement funds following the completion of the I-205/Milwaukie Preliminary AA and the development of a project implementation plan for the corridor. Finally, the resolution would amend the Transportation Improvement Plan (TIP) to program \$1.6 million in Interstate Transfer Program funds to FY 94.

TPAC has reviewed the proposed allocation to the South/North AA and recommends approval of Resolution No. 93-1845A.

FACTUAL BACKGROUND AND ANALYSIS

On April 23, 1992, Metro Council adopted Resolution No. 92-1584 for the purpose of converting the I-205 busway Interstate Transfer funds into flexible funds that could be used to fund transit projects throughout the region. The resolution also adopted conditions for the future reprogramming of those funds.

First, Resolution 92-1854 stipulates that JPACT must approve the reprogramming of I-205 busway funds outside of the I-205 Corridor. Second, the Resolution requires that if any of the I-205 busway funds are programmed for transit projects outside of the corridor prior to the development of an I-205 improvement strategy, the same level of funds shall be concurrently allocated to replace the I-205 busway funds for use in the I-205 corridor. Third, the resolution requires that final programming of the I-205 busway funds and replacement funds will be made by JPACT only after the completion of the I-205/Milwaukie Preliminary AA and the adoption of an implementation plan for the corridor.

On July 15, 1993, Metro Council adopted Resolution No. 93-1825 to modify the FY 94 Unified Work Program (UWP) to include the single South North AA/Draft Environmental Impact Statement (DEIS) work element. Previously the UWP had included separate South and North AA/DEISs. The resolution also endorsed the project's proposed revenue budget of \$8.25 million and amended the FY 93

TIP accordingly. Resolution 93-1825 identified the funding sources and amounts for the total \$8.25 million revenue budget as follows in Table 1:

Table 1
Endorsed South/North AA Funding Sources

Source	Total
State of Washington	\$2,520,000
Washington Local	\$630,000
State of Oregon	\$4,000,000
Federal E-4	\$987,950
Oregon Local	\$112,050
Total	\$8,250,000

On June 29, Metro submitted an application to advance the South/North Corridor into AA and submitted a request for \$987,950 in E-4 Interstate Transit Transfer funds to provide partial funding for the South/North AA. The application included proposed funding sources for the entire South/North AA consistent with the funding sources and amounts included in Table 1.

Previously, the State of Washington had awarded \$2,520,000 in High-Capacity Transit (HCT) Development Account funds to the South/North Study. C-TRAN had also committed to providing \$630,000 in local Washington funds to the study. Metro and C-TRAN are currently negotiating a contract that would secure both the C-TRAN and State of Washington HCT Development Account funds for the South/North Study. In addition, Metro is currently negotiating with local Oregon jurisdictions to secure the \$112,500 in Oregon Local funds.

During the 1993 legislative session, the State of Oregon Legislature considered a proposal by Governor Roberts to provide \$4.0 million in Oregon lottery funds to the South/North Study. The Oregon Legislature finally approved \$2.0 million in lottery funds for the project. This allocation of \$2.0 million in State of Oregon funds, instead of the requested \$4.0 million, leaves a project deficit of \$2.0 million.

In identifying additional funding resources to make up the revenue deficit for the South/North Study, Metro and the South/North Project Management Group (PMG) first identified \$400,000 in residual I-205/Milwaukie Preliminary AA funds available for the South/North AA. Much of the I-205/Milwaukie Preliminary AA work plan has been completed (e.g. the priority corridor decision) or integrated into Tier I of the South/North AA (e.g. identification and screening of the alternatives). However, work is progressing on the Preliminary AA task of preparing an action plan for the I-205 Corridor and in preparing further analysis of the potential extension of LRT to the

Portland Airport. Results of the I-205 action plan and the analysis of the Airport extension will be presented to JPACT in the coming months for consideration and approval.

The PMG then discussed the merits of using either the Clackamas County LRT G.O. Bond revenue or the I-205 busway funds to help make up the funding deficit in the South/North AA. In recommending that JPACT authorize the use of up to \$1.6 million in I-205 busway funds, the PMG noted that the G.O. Bond revenue was currently in an interest-bearing account gaining value and was serving as a capital reserve account for the Westside Project. In contrast, the I-205 busway funds are set at a fixed value, do not gain interest and are losing real purchasing value annually with inflation. By using the I-205 busway funds now to help fund the South/North AA, while reserving a similar amount of G.O. bond revenue to replace those busway funds, the region maximizes the funding available for LRT development. Consistent with Resolution No. 92-1854, this resolution requires that JPACT make a final determination on the use of the busway funds and replacement funds following the completion of the I-205/Milwaukie Preliminary AA and the adoption of an I-205 implementation funding strategy.

Table 2 summarizes the proposed revised revenue budget for the South/North AA based upon the use of \$400,000 in residual I-205/Milwaukie Preliminary AA funds and I-205 busway funds to replace the \$2 million in State of Oregon contributions to the study.

Table 2
Propose Revised South/North AA Funding Sources

Source	Total
State of Washington	\$2,520,000
Washington Local	\$630,000
State of Oregon	\$2,000,000
Federal E-4 (Residual Pre-AA)	\$400,000
Federal E-4 (I-205 Busway)	\$1,600,000
Federal E-4 (McLoughlin)	\$987,950
Oregon Local	\$112,050
Total	\$8,250,000

Metro staff have discussed this proposal with FTA staff. FTA had indicated that approval of the pending E-4 grant request of \$987,950 would be delayed another quarter if the \$2 million funding deficit was not eliminated by either downscoping the project or securing replacement funds. While FTA will not entertain an amendment to the existing grant request without delaying it for another quarter, they did indicate that a

commitment by the region to replace the \$2 million funding deficit with residual I-205/Milwaukie Preliminary AA funds and with a grant request to use I-205 busway funds would allow FTA to approve the pending grant request by the end of the current federal fiscal quarter. If the grant request for the I-205 busway funds is submitted by September 30, 1993, FTA would be able to approve those funds by January 1, 1994.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 93-1845A.

PLANNING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 93-1845A, ALLOCATING I-205 INTERSTATE TRANSFER FUNDS TO THE SOUTH/NORTH ALTERNATIVES ANALYSIS AND COMMITTING LIGHT RAIL TRANSIT (LRT) BOND MEASURE AS REPLACEMENT FUNDS AND TO AMEND THE FY 1994 TRANSPORTATION IMPROVEMENT PROGRAM (TIP) ACCORDINGLY

Date: September 15, 1993

Presented By: Councilor Kvistad

Committee Recommendation: At the September 14 meeting, the Planning Committee voted 5-0 to recommend Council adoption of Resolution No. 93-1845A. Voting in favor: Councilors Van Bergen, Devlin, Gates, Kvistad, and Moore. Absent: Councilor Monroe.

Committee Issues/Discussion: Richard Brandman, Assistant Planning Director, presented the staff report. Several months ago Metro approved a grant application for \$987,000 to complete the funding package for the South/North Alternatives Analysis (AA) process. At the time, \$4 million of lottery funds was contemplated for receipt from the legislature. This would have completed the approximate \$8 million needed for the study effort. Instead only \$2 million was received from the State of Oregon, creating a shortfall. There is approximately \$400,000 of carryover funds from pre-AA activities, making the remaining amount \$1.6 million.

This resolution authorizes another grant application for E-4 Interstate Transfer I-205 Bus Lane funds for \$1.6 million to complete the study effort. Further the resolution requests that Tri-Met pledge to replace the \$1.6 million with moneys from their light rail transit construction fund, in the event of JPACT calling for such reimbursement.

We currently have an action plan that is being developed for the I-205 corridor, the non-priority corridor from the pre-AA process. This will allow us to expend the moneys in the reserve account for I-205 light rail, probably to improve bus access at Gateway. JPACT and the Council will make the final determination on how that reserve should be allocated. Tri-Met has indicated a willingness to reimburse the \$1.6 million and will have a letter to present to the Council so stating.

Councilor Van Bergen explained that Councilors Monroe and Buchanan had requested the letter to assure replacement of the moneys. Councilor Moore said that she felt the letter was necessary for a paper trail and commended the staff in an innovative way to utilize existing funds.



M E T R O

To: Planning Committee

From: Gail Ryder, Senior Council Analyst

Date: September 9, 1993

Re: Resolution 93-1845A - Transfer of I-205 Funds to S/N Study

BACKGROUND: With the adoption last April of Resolution 92-1584, the Council approved allowing I-205 buslane Interstate Transfer funds to be converted into flexible funds that could be used to fund transit projects throughout the region as long as such funds were repaid for transit purposes along the I-205 corridor. This can be accomplished only with the approval of the Joint Policy Committee on Transportation (JPACT). Final programming of the I-205 buslane funds and replacement funds will also be made by JPACT, after the completion of the I-205/Milwaukie Preliminary Alternatives Analysis and the adoption of an implementation plan for the corridor.

Resolution 93-1825, providing for a single South/North Alternatives Analysis (AA) /Draft Environmental Impact Statement (DEIS) work element, was approved on July 15, 1993. Also endorsed was the proposed revenue budget of \$8.5 million. Due to the lack of action by the 1993 legislature, the \$4 million anticipated for receipt from the State of Oregon is now reduced to \$2 million, leaving a \$2 million deficit. Grant requests to the federal government have been left pending until additional funding can be identified.

EXPECTATION: The South/North Project Management Group, in attempting to identify additional funding has identified \$400,000 in residual I-205/Milwaukie Preliminary AA funds available for the South/North AA. In addition, they recommended JPACT approve converting \$1.6 million I-205 buslane funds for this use. The conditions in Resolution 92-1584 for repayment would continue to apply.

STAFF REVIEW: Prior to consideration by JPACT, two Metro Councilors expressed concern about repayment of the funds by Tri-Met. At the JPACT meeting, it was stated that Tri-Met was in the process of drafting a letter stipulating that the funds would be repaid.

The committee may wish to ask the department to clarify the following questions:

1. Are there plans for the remainder of the \$15 million of I-205 buslane funds?
How long can these funds remain in their current state?
2. The original buslane funds have been allocated but not appropriated by the federal government. This effectively freezes them without interest. When the repayment is made by Tri-Met, is there an opportunity for the repaid funds to earn interest until a final allocation is made?



METRO

Date: September 23, 1993
To: Judy Wyers, Presiding Officer
Metro Council
From: Andrew C. Cotugno, Planning Director
Re: Resolution No. 93-1845A

Attached is a letter from Tri-Met in response to the request in our resolution that they commit funds to replace the I-205 buslane funds being allocated to the South/North Alternatives Analysis. The Tri-Met Board of Directors is scheduled to adopt the attached resolution making such a commitment on September 29 (after the September 23 Metro Council meeting to consider Metro Resolution No. 93-1845A).

Based upon the recommendation of the Tri-Met General Manager and Tri-Met Board Finance Committee, I recommend that the Metro Council proceed and adopt Resolution No. 93-1845A on September 23. This will allow us to submit the grant application to the Federal Transit Administration in time for their September 30 deadline. If for some unforeseen reason the Tri-Met Board does not approve their resolution on September 29, we can always pull back on the grant application.

ACC:lmk

Attachment



TRI-MET

4012 SE 17th AVENUE
PORTLAND, OR 97202
(503) 238-4831
(503) 239-6451 FAX

September 21, 1993

Mr. George Van Bergen
Metro Councilor District 6
2336 S.E. Washington
Milwaukie, Oregon 97222

Dear Councilor Van Bergen:

At its September 16 meeting, JPACT passed Resolution No. 93-1845A which provided for an allocation of I-205 Interstate Transfer funds to the South/North Corridor alternatives analysis. The resolution further requested Tri-Met commit an amount equal to the I-205 funds being granted to the South/North project (up to \$1.6 million) out of its Light Rail Construction Fund with such funds used to replace the granted funds until a final allocation of the I-205 buslane and replacement funds is made.

At the JPACT meeting, Tri-Met was asked to produce a letter indicating its concurrence with the provisions of Resolution 93-1845A. The letter was requested prior to the September 23 meeting of the Metro Council. Because the Light Rail Construction Funds and uses of the Fund were established by the Tri-Met Board it will be necessary for the Board to take formal action regarding the \$1.6 million in replacement funds. The proposed action was reviewed by the Board Finance Committee on September 17, and recommended to the full Board for action at the September Board meeting scheduled for September 29. I have attached a copy of the Resolution the Board will consider at its meeting. Based on the discussion to date, I would anticipate the Board will approve the Resolution.

Sincerely,

John R. Post
Deputy General Manager

JRP/dks
Attachment

CC: T. Walsh
B. Harder
A. Cotugno



RESOLUTION 93-09-73

AUTHORIZING THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRI-MET) TO ISSUE A LETTER OF COMMITMENT TO THE JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION (JPACT) OBLIGATING AVAILABLE FUNDS NOT IN EXCESS OF \$1.6 MILLION TO PROVIDE CONTINGENT FUNDING FOR THE I-205 BUSWAY GRANT

WHEREAS, the combined Milwaukie and I-5 Corridors between Vancouver, Washington, downtown Portland, and Oregon City (South/North Corridor), have been chosen as the region's priority corridors for major transit capital investment; and

WHEREAS, Tri-Met has been an active participant in the South/North Corridor Preliminary Alternatives Analysis; and

WHEREAS, A South/North Project Management Group, composed of transportation officials from Tri-Met, the affected governments, and the Citizen's Advisory Group, composed of resident and business people for the affected corridors, are continuing to review technical data and funding options for the South/North Corridor; and

WHEREAS, The Tri-Met Board of Directors passed a resolution on March 31, 1993 recommending the adoption of an Action Plan for proceeding with the preparation of Alternatives Analysis and Funding Plans for the South/North Corridor; and

WHEREAS, The State of Oregon and the State of Washington are contributing funds to the South/North Alternative Analysis; and

WHEREAS, Metro passed a resolution on August 27, 1993 authorizing an application to the Federal Transit Administration for up to \$1.6 million in I-205 Busway Interstate Transfer funds to complete the \$8.25 million South/North Corridor Alternatives Analysis; and

WHEREAS, Tri-Met has been requested by JPACT to commit an amount from the Light Rail Construction Fund equal to, but not to exceed, the \$1.6 million I-205 Busway Grant, the purpose of said commitment to provide a contingent source of funding for the I-205 Busway Grant, until a final allocation of Interstate Transfer funds has been made by JPACT and Metro.

NOW, THEREFORE, BE IT RESOLVED:

1. That the General Manager is authorized to commit an amount equal to the I-205 Busway Grant, not to exceed \$1.6 million, from the Light Rail Construction Fund to serve as a potential source of replacement funds for I-205 Busway Grant funds used to complete the South/North Alternatives Analysis Study, said commitment contingent

upon a final allocation of I-205 Busway Interstate Transfer funds by JPACT and the Metro Council.

2. That the General Manager is authorized to execute the necessary documents on behalf of the Board in a form approved by Tri-Met's General Counsel.

Dated: September 29, 1993

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency
