

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING A MULTI- )  
YEAR COMMITMENT OF REGIONAL )  
FLEXIBLE FUNDS FOR THE YEARS 2019-31, )  
FUNDING THE DIVISION TRANSIT PROJECT, )  
THE SOUTHWEST CORRIDOR TRANSIT )  
PROJECT, ARTERIAL BOTTLENECK )  
PROJECTS, AND ACTIVE TRANSPORTATION )  
PROJECTS, AND AUTHORIZING EXECUTION )  
OF AN INTERGOVERNMENTAL AGREEMENT )  
WITH TRIMET REGARDING THE MULTI- )  
YEAR COMMITMENT OF REGIONAL )  
FLEXIBLE FUNDS )

RESOLUTION NO. 17-4800

Introduced by Chief Operating Officer Martha  
Bennett in concurrence with Council  
President Tom Hughes

WHEREAS, Metro is the Metropolitan Planning Organization (MPO) for the Portland metropolitan region, authorized by the U.S. Department of Transportation to program federal transportation funds in the Portland region through the Metropolitan Transportation Improvement Program (MTIP);

WHEREAS, Metro is authorized by the Oregon Department of Transportation (ODOT) to program federal Congestion Mitigation/Air Quality (CMAQ) funds in the MTIP that are allocated to the Portland region by ODOT;

WHEREAS, TriMet is the authorized public transportation provider for the Portland region and is an eligible recipient of federal transportation funds through the MTIP;

WHEREAS, on June 16, 2016, as recommended by JPACT, the Metro Council adopted Resolution No. 16-4702, "For the Purpose of Adopting the 2018-2021 Metropolitan Transportation Improvement Program and 2019-2021 Regional Flexible Funds Allocation Policy Statement for the Portland Metropolitan Area," which resolution and policy statement sets forth how the region will identify and select transportation projects to receive federal transportation funds, including regional flexible funds and CMAQ funds (the "RFFA Policy Statement");

WHEREAS, the RFFA Policy Statement supports committing federal transportation funds over years 2019-21 for the following purposes: (a) high-capacity transit regional bond commitments for the Division Street Transit Project and the Southwest Corridor Transit Project, (b) bond commitments for developing projects to address regional congestion bottlenecks and active transportation/Safe Routes to Schools projects, (c) region-wide programs, such as transit oriented development and corridor and systems planning, and (d) regional freight investments and active transportation/complete streets;

WHEREAS, ODOT has notified TriMet and Metro that Eugene and Salem are eligible for future allocations of the state's share of federal CMAQ funds, which will potentially reduce CMAQ funds available to the Portland metropolitan region over the years 2019-21 (and in future years);

WHEREAS, any reduction in the amount of CMAQ funds allocated by ODOT to the Portland metropolitan region will reduce the amount of federal transportation funds used as the basis of the funding amounts set forth in RFFA Policy Statement;


WHEREAS, due to the uncertainty regarding any potential reduction in available federal transportation funds from the amounts assumed in the adopted RFFA Policy Statement and given the importance of TriMet's timely receipt of funds to keep project work on schedule, on May 18, 2017, the Joint Policy Advisory Committee on Transportation (JPACT) recommended approval of this Resolution 17-4800 and the reduced funding commitments shown in Exhibit A, and expressed an intent to potentially increase the amount of funding dedicated to these regionally important projects in the future up to the amounts included in the RFFA Policy Statement, following ODOT's decision regarding statewide allocation of the CMAQ funds;

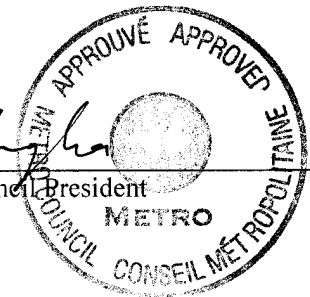
WHEREAS, TriMet anticipates issuing revenue bonds secured by the commitment of federal transportation funds set forth on Exhibit A, and an agreement between Metro and TriMet regarding these funds will facilitate borrowing by TriMet that pledges these funds; now therefore

BE IT RESOLVED that the Metro Council hereby:

- Approves the commitment of federal transportation funds recommended by JPACT and shown in Table 1 of Exhibit A; and
- Authorizes the execution of an intergovernmental agreement between Metro and TriMet, in a form approved by the Office of Metro Attorney and consistent with this Resolution, that incorporates the multi-year commitment of regional flexible funds shown in Table 1 of Exhibit A for the uses set forth in Table 2 of Exhibit A.

ADOPTED by the Metro Council this 18th day of May, 2017.

  
Tom Hughes, Council President



Approved as to Form:

  
Alison R. Kean, Metro Attorney

**EXHIBIT A to Resolution 17-4800**

**Table 1: Multi-Year Commitment of MTIP Funds and Regional Flexible Funds to TriMet**

Column:	A	B	C
Federal Fiscal Year	Sub-Total of MTIP Funds Committed under Res. Nos. 08-3942 and 10-4185	Sub-Total of Phase 1 Regional Flexible Funds Committed under Res. No. 17-4800	Grand Total of MTIP Funds and Phase 1 Regional Flexible Funds Committed to TriMet under Res. Nos. 08-3942, 10-4185, and 17-4800
2016	\$16,000,000		\$16,000,000
2017	\$16,000,000		\$16,000,000
2018	\$16,000,000		\$16,000,000
2019	\$16,000,000	\$3,250,000	\$19,250,000
2020	\$16,000,000	\$3,250,000	\$19,250,000
2021	\$16,000,000	\$3,250,000	\$19,250,000
2022	\$16,000,000	\$3,500,000	\$19,500,000
2023	\$16,000,000	\$3,500,000	\$19,500,000
2024	\$16,000,000	\$3,500,000	\$19,500,000
2025	\$16,000,000	\$3,500,000	\$19,500,000
2026	\$16,000,000	\$3,500,000	\$19,500,000
2027	\$16,000,000	\$3,500,000	\$19,500,000
2028		\$12,100,000	\$12,100,000
2029		\$12,100,000	\$12,100,000
2030		\$12,100,000	\$12,100,000
2031		\$12,100,000	\$12,100,000

**Table 2: Bond Funded Projects and Net Project Funding**

Project Activity	Amount
Southwest Corridor Transit Project	\$15,000,000
Division Transit Project	\$25,000,000
Project Development: Highway/Arterial	\$10,000,000
Active Transportation/Safe Routes to Schools	\$1,000,000
Enhanced Transit	-0-
<b>Total</b>	<b>\$51,000,000</b>

## **STAFF REPORT**

IN CONSIDERATION OF RESOLUTION NO. 17-4800, FOR THE PURPOSE OF APPROVING A MULTI-YEAR COMMITMENT OF REGIONAL FLEXIBLE FUNDS FOR THE YEARS 2019-31, FUNDING THE DIVISION TRANSIT PROJECT, THE SOUTHWEST CORRIDOR TRANSIT PROJECT, ARTERIAL BOTTLENECK PROJECTS, AND ACTIVE TRANSPORTATION PROJECTS, AND AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH TRIMET REGARDING THE MULTI-YEAR COMMITMENT OF REGIONAL FLEXIBLE FUNDS

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Date: May 5, 2017

Prepared by: Ted Leybold

### **BACKGROUND**

In 2015, the region began discussions to update the policy for the next allocation of regional flexible funds and the creation of the 2018-21 Metropolitan Transportation Improvement Program (MTIP). The financial forecast at that time found that by holding funding levels for existing programs steady at past amounts (adjusting for inflation), there would be \$17.43 million of additional forecasted Regional Flexible Funds for the Portland metropolitan region under the FAST Act legislation. On June 16, 2016, the Metro Council approved Resolution No. 16-4702, establishing policy direction for the allocation of Regional Flexible Funds, with the intent to provide this additional forecasted revenue and a small portion of existing funding capacity to the Division Transit Project and project development work for the Southwest Corridor Transit Project, arterial bottleneck projects, and active transportation projects. Support of these projects was authorized to include a multi-year commitment of funding through 2034, to be bonded by TriMet to provide funding to these projects more immediately.

Metro was informed by the Oregon Department of Transportation (ODOT) that one source of the regional flexible funding, Congestion Mitigation/Air Quality (CMAQ) funds, would likely be reduced due to the new eligibility of the Salem and Eugene areas to receive these funds from the share allocated to the state of Oregon.

To address this uncertainty regarding any potential reduction in available federal transportation funds from the amounts assumed in the adopted RFFA Policy Statement and given the importance of TriMet's timely receipt of funds to keep project work on schedule, on May 18, 2017, the Joint Policy Advisory Committee on Transportation (JPACT) recommended approval of this Resolution 17-4800 and the reduced funding commitments shown in Exhibit A.

The purpose of this resolution is to authorize the Chief Operating Officer to enter into an intergovernmental agreement (IGA) between TriMet and Metro. In this agreement, Metro will provide a multi-year commitment of Regional Flexible Funds consistent with the schedule provided in Table 1 of Exhibit A to this resolution. The bond proceeds will be provided to the projects consistent with Table 2 of Exhibit A to this resolution.

JPACT and the Metro Council may increase the amount of funding dedicated to these regionally important projects in the future up to the amounts included in the RFFA Policy Statement, following ODOT's decision regarding statewide allocation of the CMAQ funds.

## ANALYSIS/INFORMATION

1. **Known Opposition** None known at this time.
2. **Legal Antecedents** Metro has the authority to enter into an Intergovernmental agreement (IGA) with TriMet. Metro has previously executed these types of IGAs with TriMet, most recently to Provide Regional Flexible Funds for the Milwaukie Light Rail, Commuter Rail, Portland-Lake Oswego Transit, and Southwest Corridor, February 10, 2011. The IGA would implement policy direction provided in Resolution No. 16-4702, *“For the Purpose of Adopting the 2018-2021 Metropolitan Transportation Improvement Program and 2019-2021 Regional Flexible Funds Allocation Policy Statement for the Portland Metropolitan Area,”* June 16, 2016.
3. **Anticipated Effects** This resolution would authorize an IGA that would provide the mechanism to formalize the transfer of regional flexible fund dollars to TriMet for the funding of transportation projects specified in the agreement.
4. **Budget Impacts** Federal or state funding allocations less than forecasted levels may affect Metro’s ability to allocate regional flexible funds for Metro planning or transportation program activities. Additionally, Metro will be responsible for providing or collecting from partner agencies matching funds of approximately \$105,000 for project development activities for Active Transportation projects.

## RECOMMENDED ACTION

Metro Council approve Resolution No. 17-4800.