

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING 1998) RESOLUTION NO. 98-2606
PRIORITIES FOR FEDERAL TRANSPORTATION))
LEGISLATION) Introduced by
Mike Burton,
Executive Officer

WHEREAS, The Intermodal Surface Transportation Efficiency Act (ISTEA) was adopted by Congress in 1991; and

WHEREAS, ISTEA expired at the end of federal Fiscal Year 1997 (September 30, 1997); and

WHEREAS, Congress adopted an interim extension to May 1, 1998; and

WHEREAS, Congress will be considering reauthorization of ISTEA during 1998; and

WHEREAS, ISTEA has a significant policy effect on transportation planning and decision-making in the Portland region; and

WHEREAS, The Portland region adopted a position on the reauthorization of ISTEA in January 1997 by Resolution No. 96-2442; and

WHEREAS, It is through ISTEA that federal "New Rail Starts" funding commitments are made; now, therefore,

BE IT RESOLVED,

That the Metro Council:

Endorses the ISTEA Position Paper as reflected in Exhibit A subject to coordination with ODOT on a statewide position.

ADOPTED by the Metro Council this 26th day of February, 1998.

Approved as to Form:


Daniel B. Cooper, General Counsel

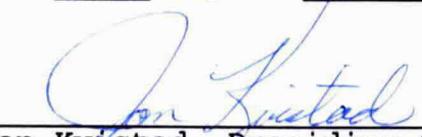

Jon Kvistad, Presiding Officer

EXHIBIT A

ISTEA REAUTHORIZATION PORTLAND, OREGON REGIONAL POSITION PAPER FEBRUARY 1998

This position paper should be viewed as a work in progress. ISTEA reauthorization began in 1996 and will extend over the next nine months during which time numerous proposals will surface which require further consideration by the Portland region. This position represents the region's position at this point in the Congressional deliberation, thereby allowing these positions to be advocated through national organizations, before federal hearings and with the Oregon Congressional delegation. In addition, changes will be considered, if necessary, after coordination with other interests statewide through ODOT.

I. Introduction

The transportation providers of the Portland region believe there is a national interest in transportation that should be reflected in the programmatic emphasis in the next ISTEA. This national interest should focus on maintaining and improving metropolitan mobility to support the economic engines of the country and further international competitiveness. Second, it should maintain and improve vital connections between metropolitan areas. Finally, effective connections to international passenger and freight terminals to access the global marketplace are critical.

In order to ensure these national interests are accomplished through the distribution of federal transportation funds, a programmatic approach, rather than a block grant approach, is most appropriate. In this manner, the Federal Government can target its resources to the program areas that represent the national interest. The current ISTEA, with several improvements, provides an excellent model for such an approach to the next ISTEA and most of the new ISTEA proposals continue with this model. The ground-breaking changes in flexible financing, local control and public involvement embodied in the passage of ISTEA in 1991 were a major step forward in transportation development. Reauthorization of ISTEA should focus on building on the strengths of this landmark legislation rather than on major rollbacks or wholesale changes.

Reauthorization of ISTEA to include these provisions is integral to the Portland region's objectives for growth management and building a livable community. This region has strived to link transportation investments to land use decisions to achieve multiple objectives of preserving farm and forest lands, reinvesting in communities, meeting air

quality standards, efficiently using existing infrastructure, and maintaining a livable region in the face of massive growth. It is essential that the Federal Government maintain its partnership with the Portland region through the reauthorization of ISTEA.

The region would like to highlight the following issues for consideration during the reauthorization of ISTEA:

II. Substantive Issues

1. MPO Role in Decision-Making. We believe that the increased local and state role in transportation decision-making is one of the most important advances in ISTEA. The region strongly supports continuing a strong MPO role in planning, project selection, joint TIP/STIP approval, and public involvement. The MPO role in ISTEA has improved the partnership of local government officials, state departments of transportation and other transportation interests and should be reinforced in reauthorization.
2. Joint MPO/State DOT Approval of TIPs. Joint approval of state and metropolitan Transportation Improvement Programs (TIP) in each metropolitan area ensures a partnership approach to solving transportation problems. Typically, the state DOT is responsible for only a part of the transportation system and cities, counties, transit districts and port districts are responsible for the balance. Through a partnership approach, transportation investment decisions can be made to ensure the system as a whole meets the needs of the public and responds to the federal interest. Often in a complex metropolitan area, trade-off decisions must be made to determine which improvements to which part of the system can most effectively meet the needs. In addition, it is critical that transportation investment decisions are coordinated with land use decisions for the region which typically rest with local governments rather than the state DOT. Joint approval of the TIP assures that all parties responsible for the transportation system are party to making the priority decisions about its improvement.
3. Flexible Funding. The region supports maintaining and, where appropriate, expanding flexible funding. Flexibility gives local and state governments and citizens the opportunity to craft the most appropriate local solutions to transportation needs. Flexible funding has been a key component of this region's effort to respond to the demands of growth, address congestion and freight mobility needs and preserve livability and environmental

quality. While the region supports continuing the existing categories for Surface Transportation Program funds, Transportation Enhancement funds, and Congestion Mitigation/Air Quality funds, including metropolitan set-asides, there should not be any additional categorical funding allocations in the next ISTEA if they have the effect, particularly in the environment of reduced or level funding, of actually reducing rather than increasing flexibility. This can occur if there is less funding split up among more categories. The region supports expanding the flexibility of existing STP and CMAQ funds to address capital improvements to freight and passenger rail and intermodal facilities. In addition, the region supports maintaining the existing flexibility provisions for the NHS program.

4. Maintain the Federal Transit Program. Some proposals under consideration by Congress would dramatically alter the transit program to establish a "minimum allocation" to each state rather than the current model based upon where the need is the greatest, where the greatest amount of service is provided and which projects have the highest merit. Retaining the current structure is particularly important in maintaining a viable "New Starts" program. Light rail projects cannot be built based upon a small formula allocation to each state. Rather, periodic large appropriations are needed to build a segment of that system, followed by years when no funds whatsoever are provided. This is comparable to the years when the Interstate system was being built -- many states received more to construct their segments of the Interstate system than they were contributing to the Trust Fund through user fees.
5. Reject Rollbacks and Devolution. The region does not support the rollback or elimination of major elements of ISTEA, such as local control, public involvement or joint MPO/state DOT approval of TIP/STIP or the "devolution" of the federal program and its return to the states. The passage of ISTEA resulted in improved coordination between the state, region and federal transportation providers. The benefits to the taxpayers are a more efficient use of existing transportation investments and the construction of new investments that best reflect their individual community needs. In this region, the experience of ISTEA has been a positive one and has resulted in a greater degree of public involvement in and support for the transportation investments. In addition, it is problematic for states to adopt sufficient tax increases to offset the elimination of the federal program.

6. Discretionary Section 3 "New Start" Program. The region supports the continuation of a discretionary Section 3 "New Starts" program. The program has been shown to be an effective way for urban areas to implement large-scale innovative transit alternatives to new freeway construction. Opportunities to leverage private sector investments are substantially enhanced with the existence of a categorical program and predictable funding allocations. The existence of a categorical program and the scale of investment accommodated by the New Start program is critical to the integration of long-range transit development and land use planning efforts such as that underway in the Portland region.

The region supports the proposal now under consideration in the House Bill to change the "New Starts" program from one of involving earmarking of specific projects by Congress to one of advancing the projects with the highest merit. Under this proposal, 92 percent of the funds would be available to commit to construction of new projects and 8 percent to pre-construction environmental and engineering studies. Construction funds for a specific project would be approved by Congress at the point in time it has completed its pre-construction engineering and environmental studies based heavily on an independent recommendation of the Federal Transit Administration on the merits of the project. Under this approach, we would anticipate that the South/North LRT project would be authorized for construction in this ISTEA update with the actual funding commitment for Segment 1 provided in 1999 upon completion of the Final Environmental Impact Statement.

7. New Start Evaluation and Land Use Benefits. The region believes that one of the most important benefits of the Section 3 New Start program is the opportunity it offers communities to reduce urban sprawl and its associated costs. The new ISTEA should direct FTA to include the benefits of improved land use and the reduced costs of sprawl in the analysis for new rail projects. Projects which can demonstrate the reduced costs of sprawl through legally binding land use requirements should be given additional consideration in the allocation of New Start funding.

FTA should be encouraged to continue its efforts to include in its evaluations the value of reduced sprawl, reduced utility costs, road construction and maintenance costs, air pollution and other benefits associated with the more compact development pattern attainable with integrated transit development and land use planning.

8. Blanket Authorization of Contingent Commitments and Existing Full-Funding Grant Agreements. The region supports the "en bloc" authorization of contingent commitment projects and carryover Full-Funding Grant Agreements. Failure to authorize these projects would unfairly penalize communities that have moved forward with the expenditure of local and state funds under the spirit and the letter of ISTEA's contingent commitment provisions. The level of local trust and cooperation with the Federal Government would be seriously harmed if contingent commitment projects are not authorized as indicated in ISTEA. Not authorizing contingent commitment projects will send a signal to the private sector that public sector financing is unreliable and would reduce future opportunities for public-private ventures. "En bloc" reauthorization of carryover Full-Funding Grant Agreements is critical to complete projects in mid-stream. In many cases, appropriations for these projects have not kept pace with the amount authorized in the current ISTEA and contracted for in these Full-funding Grant Agreements. The remaining appropriation must be provided for in the next ISTEA.

9. Innovative Financing. Steps taken in ISTEA to authorize innovative methods for financing transportation facilities is very helpful. These should be nurtured and expanded in the next ISTEA authorization bill. The flexible funding provisions of ISTEA provided important new tools for local communities to address their transportation needs. However, transportation infrastructure needs still far outstrip local, state and federal resources. Additional innovative financing mechanisms should be explored and local jurisdictions, MPOs and states should be given a broader range of tools to address funding shortfalls. In particular, the region supports expanded authority for tolling federal facilities to address mobility, freight movement and congestion demands. Secondly, the Congestion Pricing authority should be retained and funded. Third, expanded opportunities for public-private partnerships could allow greater private sector participation in transportation financing. Fourth, expanded methods of providing the required local match should be retained and enhanced. Finally, the pilot effort to implement "Infrastructure Banks" should continue, be made permanent and the "firewalls" between the transit and highway portions of the banks should be removed.

Of particular interest in the area of Innovative Finance is a proposal being considered in the Senate Bill to provide a federal credit enhancement program to help with short-term borrowing required on large projects.

Referred to as the "Transportation Infrastructure Financing Improvement Act" or "TIFIA," this program would provide federal support to borrow funds, thereby enhancing short-term cash flow, lowering interest costs and speeding up project completion.

10. Congestion Pricing. The Congestion Pricing PILOT Program should be retained and funded. Market-based mechanisms have proven ability to manage demand with limited resources. The PILOT program to date has been instrumental in promoting the effectiveness of market policies to significantly reduce peak period congestion. By allowing regions around the country to intensively study the concept, the PILOT program has significantly furthered the understanding of the role that congestion pricing can play in managing transportation costs while enhancing mobility. The recent opening of State Route 91 in California and the High Occupancy Toll Lanes in San Diego and the high level of public acceptance in recent public opinion surveys conducted as part of the Southern California Council of Governments' San Francisco Bay Bridge project and the Houston HOV buy-in project demonstrate the growing support for congestion pricing. Like any policy which involves a dramatic change in behavior among the general populous, implementations of congestion pricing face enormous challenges in terms of public education and acceptance. The program is now poised to capitalize on the concrete successes in a variety of locations around the country. The Portland metropolitan region is currently in the midst of a study which is exploring the potential of this tool to play a key role in our regional transportation future. The region is interested in having access to funding through the PILOT program should it conclude congestion pricing is an appropriate tool to implement in the Portland region. In particular, current proposals under consideration by Congress to limit these PILOT projects to three locations nationwide should be lifted or expanded.
11. Increased Funding. ISTEA recognized the critical link between transportation investments and economic development, increased productivity and individual opportunity. Funding for ISTEA programs should be increased to reflect this critical linkage. To maintain the equity and flexibility in ISTEA, the existing 80/20 funding ratio between highways and transit should remain constant.
12. Many of the highway funding distribution formulas are biased against Oregon, resulting in the state being in a "donor" status, paying more into the federal trust fund

than returns through ISTEAs. These formulas should be revisited to correct this problem.

13. 4.3 cents of the federal fuel tax which was being used for deficit reduction was shifted back into the Transportation Trust Fund in 1997. When this tax increase was adopted by Congress, it was on the basis of being an interim measure to reduce the deficit and the commitment was made to return this to the Highway and Transit Trust Funds. This commitment was fulfilled in 1997 since the deficit is nearly in check but the authorization to spend these user fees has not been provided by Congress. In addition, even without this 4.3 cents, the Trust Funds have been growing due to limits on appropriation.

As the Congress debates options for use of the budget surplus, from cutting taxes to increased spending on social programs, a high priority should be placed on investing in transportation infrastructure. Toward this end, ISTEAs spending levels should be increased to fully spend those user fees being collected as follows: 1) one-half cent for passenger rail; 2) 80 percent of the balance to the Highway Trust Fund; and 3) 20 percent of the balance to the Transit Trust Fund with an associated increase in spending authority in these areas to spend down the Trust Fund balances and the added 4.3 cents.

14. The High-Speed Rail Program within ISTEAs should be reauthorized for the five selected priority corridors, including the Cascadia Corridor from Eugene, Oregon to Vancouver, B.C. There are important trackway improvements needed within the Portland metro area to improve speed and safety. In addition, the Portland region benefits from improved service (speed and frequency) to Eugene, Seattle and Vancouver, B.C.

Associated with this, one-half cent of the 4.3-cent gas tax previously dedicated to deficit reduction should be committed to intercity passenger services, capital improvements, such as high-speed rail, intercity bus and Amtrak. This program would provide for grants and loan guarantees to such applicants as ODOT, transit districts, Amtrak and local governments.

15. NHS Priority Corridors -- I-5 Trade Corridor. ISTEAs designated several high priority NHS corridors throughout the nation. These corridors receive special funding for capital improvements. Oregon in cooperation with Washington and California should seek special status for I-5 as an NHS Priority Trade Corridor. With the passage of NAFTA, this special designation is of even greater importance.

Establishment of this tri-state international trade corridor should include a critical component focusing on the bi-state I-5 crossing corridor and the deficiencies in the current interface between north-south international trade on I-5, east-west international trade between the Pacific Rim and points east via the Ports of Portland and Vancouver, inadequate facilities to meet cross-river commuting demands and growth in barge traffic on the Columbia River and the difficulty in accommodating this river traffic.

With this I-5 Priority Trade Corridor designation, appropriate bi-state studies should be undertaken to address the problems of moving freight to and from the ports and between the states and moving commuters between these two parts of the Portland-Vancouver region. Following these studies to define and agree upon appropriate methods to address the needs, funds should be sought to begin implementing the key priority improvement projects.

16. Match Ratios. Oregon should oppose any attempts to change the match ratios as outlined in ISTEA. Oregon benefits from the sliding scale match ratio provisions of ISTEA tied to federal lands within the state and should advocate for their inclusion in the next ISTEA. In addition, ISTEA should explicitly allow "overmatching" federal funds with a higher than required local match.
17. Fiscal Constraint. The current requirement to base transportation plans and programs on realistic revenue forecasts should be continued. This requirement has brought about more realistic plans rather than simply a "wish list" and therefore greater attention to funding decisions which assume more cost-effective projects. However, equal attention should be paid to a "vision" plan to provide the basis for pursuing the funding needed to accomplish that vision.
18. Oregon is facing a severe shortfall in meeting its Transportation Capital needs. This has been exacerbated by federal funding cuts and lack of action by the Oregon Legislature to meet the need. Most recently, ODOT was forced to cut \$400 million from its Modernization Program. Highway "Demo" projects represent a possibility for helping to meet these needs. The state should submit projects that have the greatest likelihood of being included as "Demo" projects.
19. Fix the six-month lapse in ISTEA. In 1997, Congress failed to agree on the update to ISTEA which lapsed on September 30, 1997. In order to assure continued flow of funds to the states and localities, a six-month interim extension was adopted. Without action by

Congress, all federal spending will come to a halt on May 1, 1998, right before the start of the 1998 construction season. It is essential that Congress act to avoid this lapse and to provide the second half of funding for federal fiscal year 1998.

20. Support for Transportation/Land Use Program. Senator Wyden has sponsored a program to provide funds to states and localities for land use actions which support transportation. Eligible activities would include transit-oriented development, right-of-way protection, access management, and interchange management plans. The region supports enactment of this program and award of one of the discretionary grants to Oregon and the Portland region.
21. The Congress should not limit the options available to states on the type of user fee used to finance transportation, particularly to provide the means of maintaining cost responsibility between and within vehicle classifications.

Project Priorities

FY 97 was the final year of ISTEA which was adopted in 1991. In 1998, both consideration of the FY 98-2003 ISTEA and the FY 99 Appropriations Bill will provide opportunities to consider earmarking projects. The following priorities should be considered for funding through the ISTEA reauthorization or appropriations or other legislative actions. This list should be accepted on a preliminary basis to allow for coordination with ODOT on statewide priorities. It may be necessary to add projects elsewhere in the state or delete some Portland area projects. The "Regional Priority Projects" are endorsed as priorities for all jurisdictions of the region while the other projects are a priority for individual jurisdictions.

A. Regional Priority Projects

1. Completion of Westside/Hillsboro LRT project - Section 3.

\$36.8 million remains as the final appropriation in FY 99 for this project.

2. Initiation of South/North LRT project - Section 3.

It is the intent of the region to implement a phased South/North LRT project from the Clackamas Regional Center to Vancouver, Washington. The Draft EIS will be published in February 1998 to provide the basis for adoption of the final alignment and phasing plan. The Final EIS is scheduled for completion in early 1999 which will allow Tri-Met to enter into a Full-Funding Grant Agreement with the Federal Transit Administration in the summer of 1999 for the first construction segment. In support of this project, the region is seeking \$487.1 million in construction authorization for the project in the ISTEA update and an FY 99 appropriation of \$30 million for completion of preliminary engineering, the Final Environmental Impact Statement and final design and initial right-of-way purchases.

Also needed to accomplish this is a local and regional commitment over this same time period. Consideration should be given to various local and regional sources in addition to the \$475 million General Obligation Bond Measure, the \$55 million of regional STP funds and the \$10 million of Clackamas County urban renewal funds.

3. Deepening of the Columbia River Ship Channel - Corps of Engineers.

The Port of Portland, in cooperation with other Columbia River ports, is seeking Corps of Engineers funding to deepen the Columbia River ship channel to accommodate larger ocean-going vessels. This is critical to the

international competitiveness of the Portland area and the greater Columbia River Basin and directly tied to truck and freight rail access improvements in the Rivergate area.

We strongly support continued funding of \$635,000 in Fiscal Year 1999 for the U.S. Army Corps of Engineers' completion of the feasibility, environmental and engineering studies for the Columbia River channel deepening.

The region also encourages Congress to approve bill language to provide a contingent authorization for the federal share of the project, subject to required environmental, economic and engineering reviews. This authorization is a critical step in keeping the project on schedule for construction early in the next decade.

4. I-5 Priority Trade Corridor

The region requests earmarking \$10 million to the states of Oregon and Washington and the affected regional and local governments in the Portland-Vancouver area to develop a strategic plan to correct deficiencies in the bi-state I-5 Trade Corridor. This planning process should address and develop agreement on actions needed to meet the following needs:

- a. Structural, functional and capacity limitations on the I-5 Columbia River bridge and the I-5 approaches on both sides of the Columbia River causing congestion during commute periods, thereby impeding interstate and international commerce across the Columbia River.
- b. Impacts of congestion on access to the Port of Portland and Vancouver.
- c. Access routes to and from Port of Portland and Vancouver terminals, including Marine Drive, Columbia Boulevard, Mill Plain Road, access to West Hayden Island and access between the two ports.
- d. Effects of increased size and volume of barge traffic on I-5 and Burlington Northern Railroad lift spans and the resulting disruption to vehicular traffic. This could include Coast Guard involvement in correcting lift span problems, changing the location and/or depth of the main shipping channel and/or changing restrictions on hours of operation of the I-5 lift span.

Upon completion of this planning process, implementation priorities will be defined which could affect future ISTEAs and appropriation requests. If the Congress chooses to

appropriate funds toward construction projects in this I-5 Trade Corridor, the region has projects that could proceed to implementation immediately.

B. Local or Agency Priority Projects

Projects presented in this section are acknowledged by the region as being a priority by one or more individual jurisdiction or agency in the Portland region. The projects presented below are grouped into a first component encompassing projects that our Congressional delegation have requested for inclusion in ISTEA and a second component which remain priorities and should be considered for funding if the opportunity arises.

PREVIOUSLY REQUESTED CONGRESSIONAL PRIORITIES

1. I-5/Highway 217/Kruse Way Interchange - FHWA Demo project.

A revised design has been developed and endorsed by ODOT, the affected local governments and Metro. \$38 million of Highway Demonstration funds or Interstate Discretionary funds would allow this critical I-5 bottleneck and safety problem to be corrected.

2. Sunnybrook Interchange - FHWA Demo project.

Project development on this project is nearly complete. \$19 million of Highway Demonstration funds or Interstate Discretionary funds in combination with previously committed ODOT and local funds would allow this project to proceed on schedule.

3. South Rivergate Railroad Overcrossing/Columbia Boulevard Corridor - FHWA Demo project.

Columbia River channel dredging and Rivergate rail improvements are increasing the cargo movements into and out of the Rivergate port terminals. \$15 million of Highway Demonstration funds for this railroad grade separation would enhance truck access to these terminals. This project is the second in a series of planned improvements in the Columbia Boulevard corridor between Rivergate and I-205.

4. Lovejoy Ramp Removal/Broadway Bridge Rehabilitation - FHWA Demo and Bridge Program.

Replacement of the Lovejoy ramp in the River district and upgrade to the Broadway Bridge will enable major redevelopment in this Central City district. \$15 million of Highway Demonstration funds and \$10 million of Highway Bridge Repair and Replacement funds would allow these projects to proceed.

5. Willamette Valley High-Speed Rail - High-Speed Rail Account.

Funding should be sought for track upgrade to improve speed and safety. The Eugene to Vancouver, B.C. corridor is one of five priority corridors selected by USDOT following establishment of the High-Speed Rail Program in the last ISTEA. A component of these funds should be through the recently authorized Amtrak capital improvement funding program.

6. Transit-Oriented Development Revolving Fund - Section 3.

In 1994, \$3 million of Regional STP funds were allocated to establish this revolving fund. The grant through the Federal Transit Administration was awarded in May 1997 and the program is now being implemented. \$10 million of additional funding is now being sought to allow additional projects adjacent to LRT to be implemented. Potential sources for these funds include HUD or through the land use program proposed by Senator Wyden to be included in ISTEA.

OTHER PRIORITIES

1. Sunset Highway - Phase III.

The Westside Corridor Project included both LRT to Hillsboro and Sunset Highway improvements. The Sunset Highway projects, however, have been delayed due to lack of funding. This \$27 million would allow the next logical phase to proceed.

2. 242nd Avenue/I-84 Connection: Mt. Hood Parkway Interim Improvement.

242nd Avenue is the region's designated NHS corridor connection between I-84 and U.S. 26. Existing roads in this corridor are poorly connected to these highways or provide less direct travel into and out of the region for autos and substantial truck movements.

The proposed project will provide for a more direct connection to I-84 by extending 242nd Avenue northerly from Glisan Street to Sandy Boulevard and connecting to I-84 via ramps. Development of this alignment will replace a hazardous, steep three-lane road (238th Avenue) which has a high accident rate and must be closed during icy conditions. Existing East County streets used for travel into and through the region are projected to suffer from increased congestion. Thus a more direct route with access control and with some operational changes can better serve these substantial non-local traffic movements.

Much of the right-of-way is currently owned by Multnomah County and ODOT. Project cost for project construction is \$20 million. An additional \$5 million is proposed to make operational enhancements to the existing 242nd Avenue to improve flow and eliminate bottlenecks.

3. Cornell @ Cornelius Pass and Baseline @ 185th Intersections.

Implementation of the Region 2040 Growth Concept in the vicinity of the Westside LRT project creates the need to also provide road improvements. This \$12 million demonstration project will identify and construct the correct solution to accommodate the land use regime the region desires for this area.

4. Federal demonstration funds for a regional "Intelligent Transportation System" should be sought. This technology shows promise to improve the efficiency of the region's freeway, arterial and transit systems.
5. Buses

Tri-Met has a continuing need to expand its fleet by 18 buses per year in addition to the routine placement of 34 buses. Tri-Met should work with ODOT to develop a statewide funding request for bus-related improvements by transit systems statewide.

The criteria for recommending these projects is as follows:

1. Projects are of statewide significance.
2. Projects can be built within the timeframe of the next ISTEA bill (1998-2003).
3. There is a strong base of support for the project within the governments, community and business organizations.
4. The proposal would bring new funds to the state, not merely result in reallocation of existing funds.
5. Members of the Congressional delegation express a willingness to pursue the project.
6. There should be a short list of priorities.
7. The list should be integrated with ODOT's statewide priorities.

TRANSPORTATION PLANNING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 98-2606, FOR THE PURPOSE OF ADOPTING 1998 PRIORITIES FOR FEDERAL TRANSPORTATION LEGISLATION.

Date: February 24, 1998

Presented by: Councilor McLain

Committee Action: At its February 17, 1998 meeting, the Transportation Planning Committee unanimously recommended Council adoption of Resolution No. 98-2606. Voting in favor: Councilors Kvistad, McLain and Washington.

Council Issues/Discussion: Andrew Cotugno, Director of the Metro Transportation Department gave the staff presentation relating to Resolution 98-2606. The purpose of the resolution is to adopt a common set of regional priorities for Intermodal Surface Transportation Efficiency Act (ISTEA) reauthorization, which would cover a six-year time period, including next year's appropriation. Exhibit A to the resolution is a position paper outlining these regional priorities, and is a revision of a similar resolution passed by the Metro Council last year.

Two changes to the version in the committee packet were recommended by JPACT, and agreed to by the Transportation Planning Committee:

- Language in item #9, page 21, clarifies the intended meaning of this item.
- In item #3 (deepening the Columbia River Ship channel), page 11, the amount of money requested is revised from \$725,000 to \$635,000, which is the actual amount in the President's budget. The Port of Portland is agreeable to this change.

Councilor Kvistad asked whether the list of items in exhibit A was in priority order. Mr. Cotugno stated that the groupings are prioritized; i.e. regional priorities beginning on p. 10, then local or agency priorities on pp. 12 & 13, and then other priorities. Items within groups are not in priority order/

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 98-2606 FOR THE PURPOSE OF
ADOPTING 1998 PRIORITIES FOR FEDERAL TRANSPORTATION
LEGISLATION

Date: January 27, 1998

Presented by: Andrew Cotugno

PROPOSED ACTION

This resolution updated the 1997 regional policy position on the reauthorization of the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 to serve as the basis for a coordinated regional lobbying position as Congress considers its update during 1998. It was anticipated that the new ISTEA would be adopted by September 30, 1997 when it expired but Congress couldn't agree and postponed action to 1998. In order to avoid a lapse of funds, they adopted an interim, six-month extension. If Congress fails to act again, transportation spending will come to a halt on May 1, 1998.

One of the key elements is to seek federal "New Rail Starts" funding for Phase I of the South/North LRT project. In addition, a new regional priority emphasis is recommended for inclusion to focus on the bi-state I-5 Trade Corridor in cooperation with the State of Washington.

TPAC has reviewed these priorities for federal transportation legislation and recommends approval of Resolution No. 98-2606.

FACTUAL BACKGROUND AND ANALYSIS

When ISTEA was adopted in 1991, it established a significant national policy direction in support of multi-modal decision-making, funding flexibility, regional responsibility for decision-making, integration with local land use plans, partnership with state and local governments and increased public involvement. These provisions of ISTEA provided the Portland region a significant tool to meet its transportation and land use goals. This policy position paper, in large part, calls for continuing this policy direction with some refinements. Since this position paper was substantially established in 1997, presented here is an amended version to be more responsive to the issues under debate at this time.

CONTINUE THE SUCCESSES OF ISTEA

Key provisions of ISTEA that should be continued include:

- Continuation of the MPO role in decision-making;
- Joint approval with the state of transportation funding allocations;

- Continuation of flexible funding programs, particularly the Surface Transportation Program, Congestion Mitigation/Air Quality Program and Transportation Enhancement Program;
- Continuation and expansion of the "New Rail Starts" Program; and
- Linkage of transportation decision-making to land use.

REFINEMENTS TO ISTEA

Potential areas of refinement to ISTEA include:

- Expansion of innovative financing authority, including tolls and congestion pricing;
- Shifting of 4.3 cents of gas tax from deficit reduction to transportation with a commensurate increase in transportation spending levels;
- Funding for high-speed rail and other intercity passenger services; and
- Expansion of funding flexibility for freight projects.

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REFINEMENTS TO ISTEA

Potential areas of refinement to ISTEA include:

- Expansion of innovative financing authority, including tolls and congestion pricing;
- Shifting of 4.3 cents of gas tax from deficit reduction to transportation with a commensurate increase in transportation spending levels;
- Funding for high-speed rail and other intercity passenger services; and
- Expansion of funding flexibility for freight projects.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING 1998) RESOLUTION NO. 98-2606
PRIORITIES FOR FEDERAL TRANSPORTATION))
LEGISLATION) Introduced by
Mike Burton,
Executive Officer

WHEREAS, The Intermodal Surface Transportation Efficiency Act (ISTEA) was adopted by Congress in 1991; and

WHEREAS, ISTEA expired at the end of federal Fiscal Year 1997 (September 30, 1997); and

WHEREAS, Congress adopted an interim extension to May 1, 1998; and

WHEREAS, Congress will be considering reauthorization of ISTEA during 1998; and

WHEREAS, ISTEA has a significant policy effect on transportation planning and decision-making in the Portland region; and

WHEREAS, The Portland region adopted a position on the reauthorization of ISTEA in January 1997 by Resolution No. 96-2442; and

WHEREAS, It is through ISTEA that federal "New Rail Starts" funding commitments are made; now, therefore,

BE IT RESOLVED,

That the Metro Council:

Endorses the ISTEA Position Paper as reflected in Exhibit A subject to coordination with ODOT on a statewide position.

ADOPTED by the Metro Council this _____ day of _____, 1998.

Approved as to Form:

Jon Kvistad, Presiding Officer

Daniel B. Cooper, General Counsel

EXHIBIT A

ISTEA REAUTHORIZATION PORTLAND, OREGON REGIONAL POSITION PAPER ~~JANUARY 1997~~ FEBRUARY 1998

This position paper should be viewed as a work in progress. ISTEA reauthorization began in 1996 and will extend over the next nine months during which time numerous proposals will surface which require further consideration by the Portland region. This position represents the region's starting place position at this point in the Congressional deliberation, thereby allowing these positions to be advocated through national organizations, before federal hearings and with the Oregon Congressional delegation. In addition, changes will be considered, if necessary, after coordination with other interests statewide through ODOT.

I. Introduction

The transportation providers of the Portland region believe there is a national interest in transportation that should be reflected in the programmatic emphasis in the next ISTEA. This national interest should focus on maintaining and improving metropolitan mobility to support the economic engines of the country and further international competitiveness. Second, it should maintain and improve vital connections between metropolitan areas. Finally, effective connections to international passenger and freight terminals to access the global marketplace are critical.

In order to ensure these national interests are accomplished through the distribution of federal transportation funds, a programmatic approach, rather than a block grant approach, is most appropriate. In this manner, the Federal Government can target its resources to the program areas that represent the national interest. The current ISTEA, with several improvements, provides an excellent model for such an approach to the next ISTEA and most of the new ISTEA proposals continue with this model. The ground-breaking changes in flexible financing, local control and public involvement embodied in the passage of ISTEA in 1991 were a major step forward in transportation development. Reauthorization of ISTEA should focus on building on the strengths of this landmark legislation rather than on major rollbacks or wholesale changes.

Reauthorization of ISTEA to include these provisions is integral to the Portland region's objectives for growth management and building a livable community. This region has strived to link transportation investments to land use decisions to achieve multiple objectives of preserving farm

and forest lands, reinvesting in communities, meeting air quality standards, efficiently using existing infrastructure, and maintaining a livable region in the face of massive growth. It is essential that the Federal Government maintain its partnership with the Portland region through the reauthorization of ISTEA.

The region would like to highlight the following issues for consideration during the reauthorization of ISTEA:

II. Substantive Issues

1. **MPO Role in Decision-Making.** We believe that the increased local and state role in transportation decision-making is one of the most important advances in ISTEA. The region strongly supports continuing a strong MPO role in planning, project selection, joint TIP/STIP approval, and public involvement. The MPO role in ISTEA has improved the partnership of local government officials, state departments of transportation and other transportation interests and should be reinforced in reauthorization.
2. **Joint MPO/State DOT Approval of TIPs.** Joint approval of state and metropolitan Transportation Improvement Programs (TIP) in each metropolitan area ensures a partnership approach to solving transportation problems. Typically, the state DOT is responsible for only a part of the transportation system and cities, counties, transit districts and port districts are responsible for the balance. Through a partnership approach, transportation investment decisions can be made to ensure the system as a whole meets the needs of the public and responds to the federal interest. Often in a complex metropolitan area, trade-off decisions must be made to determine which improvements to which part of the system can most effectively meet the needs. In addition, it is critical that transportation investment decisions are coordinated with land use decisions for the region which typically rest with local governments rather than the state DOT. Joint approval of the TIP assures that all parties responsible for the transportation system are party to making the priority decisions about its improvement.
3. **Flexible Funding.** The region supports maintaining and, where appropriate, expanding flexible funding. Flexibility gives local and state governments and citizens the opportunity to craft the most appropriate local solutions to transportation needs. Flexible funding has been a key component of this region's effort to respond to the demands of growth, address congestion and freight

mobility needs and preserve livability and environmental quality. While the region supports continuing the existing categories for Surface Transportation Program funds, Transportation Enhancement funds, and Congestion Mitigation/Air Quality funds, including metropolitan set-asides, there should not be any additional categorical funding allocations in the next ISTEA if they have the effect, particularly in the environment of reduced or level funding, of actually reducing rather than increasing flexibility. This can occur if there is less funding split up among more categories. The region supports expanding the flexibility of existing STP and CMAQ funds to address capital improvements to freight and passenger rail and intermodal facilities. In addition, the region supports maintaining the existing flexibility provisions for the NHS program.

4. Maintain the Federal Transit Program. Some proposals under consideration by Congress would dramatically alter the transit program to establish a "minimum allocation" to each state rather than the current model based upon where the need is the greatest, where the greatest amount of service is provided and which projects have the highest merit. Retaining the current structure is particularly important in maintaining a viable "New Starts" program. Light rail projects cannot be built based upon a small formula allocation to each state. Rather, periodic large appropriations are needed to build a segment of that system, followed by years when no funds whatsoever are provided. This is comparable to the years when the Interstate system was being built -- many states received more to construct their segments of the Interstate system than they were contributing to the Trust Fund through user fees.
45. Reject Rollbacks and Devolution. The region does not support the rollback or elimination of major elements of ISTEA, such as local control, public involvement or joint MPO/state DOT approval of TIP/STIP or the "devolution" of the federal program and its return to the states. The passage of ISTEA resulted in improved coordination between the state, region and federal transportation providers. The benefits to the taxpayers are a more efficient use of existing transportation investments and the construction of new investments that best reflect their individual community needs. In this region, the experience of ISTEA has been a positive one and has resulted in a greater degree of public involvement in and support for the transportation investments. In addition, it is problematic for states to adopt sufficient tax increases to offset the elimination of the federal program.

56. Discretionary Section 3 "New Start" Program. The region supports the continuation of a discretionary Section 3 "New Starts" program. The program has been shown to be an effective way for urban areas to implement large-scale innovative transit alternatives to new freeway construction. Opportunities to leverage private sector investments are substantially enhanced with the existence of a categorical program and predictable funding allocations. The existence of a categorical program and the scale of investment accommodated by the New Start program is critical to the integration of long-range transit development and land use planning efforts such as that underway in the Portland region.

The region supports the proposal now under consideration in the House Bill to change the "New Starts" program from one of involving earmarking of specific projects by Congress to one of advancing the projects with the highest merit. Under this proposal, 92 percent of the funds would be available to commit to construction of new projects and 8 percent to pre-construction environmental and engineering studies. Construction funds for a specific project would be approved by Congress at the point in time it has completed its pre-construction engineering and environmental studies based heavily on an independent recommendation of the Federal Transit Administration on the merits of the project. Under this approach, we would anticipate that the South/North LRT project would be authorized for construction in this ISTEA update with the actual funding commitment for Segment 1 provided in 1999 upon completion of the Final Environmental Impact Statement.

67. New Start Evaluation and Land Use Benefits. The region believes that one of the most important benefits of the Section 3 New Start program is the opportunity it offers communities to reduce urban sprawl and its associated costs. The new ISTEA should direct FTA to include the benefits of improved land use and the reduced costs of sprawl in the analysis for new rail projects. Projects which can demonstrate the reduced costs of sprawl through legally binding land use requirements should be given additional consideration in the allocation of New Start funding.

FTA should be encouraged to continue its efforts to include in its evaluations the value of reduced sprawl, reduced utility costs, road construction and maintenance costs, air pollution and other benefits associated with the more compact development pattern attainable with integrated transit development and land use planning.

78. Blanket Authorization of Contingent Commitments and Existing Full-Funding Grant Agreements. The region supports the "en bloc" authorization of contingent commitment projects and carryover Full-Funding Grant Agreements. Failure to authorize these projects would unfairly penalize communities that have moved forward with the expenditure of local and state funds under the spirit and the letter of ISTEA's contingent commitment provisions. The level of local trust and cooperation with the Federal Government would be seriously harmed if contingent commitment projects are not authorized as indicated in ISTEA. Not authorizing contingent commitment projects will send a signal to the private sector that public sector financing is unreliable and would reduce future opportunities for public-private ventures. "En bloc" reauthorization of carryover Full-Funding Grant Agreements is critical to complete projects in mid-stream. In many cases, appropriations for these projects have not kept pace with the amount authorized in the current ISTEA and contracted for in these Full-funding Grant Agreements. The remaining appropriation must be provided for in the next ISTEA.
89. Innovative Financing. Steps taken in ISTEA to authorize innovative methods for financing transportation facilities is very helpful. These should be nurtured and expanded in the next ISTEA authorization bill. The flexible funding provisions of ISTEA provided important new tools for local communities to address their transportation needs. However, transportation infrastructure needs still far outstrip local, state and federal resources. Additional innovative financing mechanisms should be explored and local jurisdictions, MPOs and states should be given a broader range of tools to address funding shortfalls. In particular, the region supports expanded authority for tolling federal facilities to address mobility, freight movement and congestion demands. Secondly, the Congestion Pricing authority should be retained and funded. Third, expanded opportunities for public-private partnerships could allow greater private sector participation in transportation financing. Fourth, expanded methods of providing the required local match should be retained and enhanced. Finally, the pilot effort to implement "Infrastructure Banks" should continue, be made permanent and ~~should be capitalized with federal seed money~~ the "firewalls" between the transit and highway portions of the banks should be removed.

Of particular interest in the area of Innovative Finance is a proposal being considered in the Senate Bill to provide a federal credit enhancement program to help

with short-term borrowing required on large projects. Referred to as the "Transportation Infrastructure Financing Improvement Act" or "TIFIA," this program would provide federal support to borrow funds, thereby enhancing short-term cash flow, lowering interest costs and speeding up project completion.

910. Congestion Pricing. The Congestion Pricing PILOT Program should be retained and funded. Market-based mechanisms have proven ability to manage demand with limited resources. The PILOT program to date has been instrumental in promoting the effectiveness of market policies to significantly reduce peak period congestion. By allowing regions around the country to intensively study the concept, the PILOT program has significantly furthered the understanding of the role that congestion pricing can play in managing transportation costs while enhancing mobility. The recent opening of State Route 91 in California and the High Occupancy Toll Lanes in San Diego and the high level of public acceptance in recent public opinion surveys conducted as part of the Southern California Council of Governments' ~~and the San Francisco Bay Bridge projects~~ and the Houston HOV buy-in project demonstrate the growing support for congestion pricing. Like any policy which involves a dramatic change in behavior among the general populous, implementations of congestion pricing face enormous challenges in terms of public education and acceptance. The program is now poised to capitalize on the concrete successes in a variety of locations around the country. The Portland metropolitan region is currently in the midst of a study which is exploring the potential of this tool to play a key role in our regional transportation future. The region is interested in having access to funding through the PILOT program should it conclude congestion pricing is an appropriate tool to implement in the Portland region. In particular, current proposals under consideration by Congress to limit these PILOT projects to three locations nationwide should be lifted or expanded.
1011. Increased Funding. ISTEA recognized the critical link between transportation investments and economic development, increased productivity and individual opportunity. Funding for ISTEA programs should be increased to reflect this critical linkage. To maintain the equity and flexibility in ISTEA, the existing 80/20 funding ratio between highways and transit should remain constant.
1112. Many of the highway funding distribution formulas are biased against Oregon, resulting in the state being in a

"donor" status, paying more into the federal trust fund than returns through ISTEA. These formulas should be revisited to correct this problem.

1213. 4.3 cents of the federal fuel tax ~~is new~~ which was being used for deficit reduction was shifted back into the Transportation Trust Fund in 1997. When this tax increase was adopted by Congress, it was on the basis of being an interim measure to reduce the deficit and the commitment was made to return this to the Highway and Transit Trust Funds. This commitment ~~should be~~ was fulfilled in 1997 since through a shift of this 4.3 cents to the deficit is nearly in check but the authorization to spend these user fees has not been provided by Congress. In addition, even without this 4.3 cents, the Trust Funds have been growing due to limits on appropriation.

As the Congress debates options for use of the budget surplus, from cutting taxes to increased spending on social programs, a high priority should be placed on investing in transportation infrastructure. Toward this end, ISTEA spending levels should be increased to fully spend those user fees being collected as follows: 1) one-half cent for passenger rail; 2) 80 percent of the balance to the Highway Trust Fund; and 3) 20 percent of the balance to the Transit Trust Fund with an associated increase in spending authority in these areas to spend down the Trust Fund balances and the added 4.3 cents.

1314. The High-Speed Rail Program within ISTEA should be reauthorized for the five selected priority corridors, including the Cascadia Corridor from Eugene, Oregon to Vancouver, B.C. There are important trackway improvements needed within the Portland metro area to improve speed and safety. In addition, the Portland region benefits from improved service (speed and frequency) to Eugene, Seattle and Vancouver, B.C.

Associated with this, one-half cent of the 4.3-cent gas tax ~~new~~ previously dedicated to deficit reduction should be committed to intercity passenger services, capital improvements, such as high-speed rail, intercity bus and Amtrak. This program would provide for grants and loan guarantees to such applicants as ODOT, transit districts, Amtrak and local governments.

1415. NHS Priority Corridors -- I-5 Trade Corridor. ISTEA designated several high priority NHS corridors throughout the nation. These corridors receive special funding for capital improvements. Oregon in cooperation with Washington and California should seek special status for

I-5 as an NHS Priority Trade Corridor. With the passage of NAFTA, this special designation is of even greater importance.

Establishment of this tri-state international trade corridor should include a critical component focusing on the bi-state I-5 crossing corridor and the deficiencies in the current interface between north-south international trade on I-5, east-west international trade between the Pacific Rim and points east via the Ports of Portland and Vancouver, inadequate facilities to meet cross-river commuting demands and growth in barge traffic on the Columbia River and the difficulty in accommodating this river traffic.

With this I-5 Priority Trade Corridor designation, appropriate bi-state studies should be undertaken to address the problems of moving freight to and from the ports and between the states and moving commuters between these two parts of the Portland-Vancouver region. Following these studies to define and agree upon appropriate methods to address the needs, funds should be sought to begin implementing the key priority improvement projects.

1516. Match Ratios. Oregon should oppose any attempts to change the match ratios as outlined in ISTEAs. Oregon benefits from the sliding scale match ratio provisions of ISTEAs tied to federal lands within the state and should advocate for their inclusion in the next ISTEAs. In addition, ISTEAs should explicitly allow "overmatching" federal funds with a higher than required local match.
1617. Fiscal Constraint. The current requirement to base transportation plans and programs on realistic revenue forecasts should be continued. This requirement has brought about more realistic plans rather than simply a "wish list" and therefore greater attention to funding decisions which assume more cost-effective projects. However, equal attention should be paid to a "vision" plan to provide the basis for pursuing the funding needed to accomplish that vision.
1718. Oregon is facing a severe shortfall in meeting its Transportation Capital needs. This has been exacerbated by federal funding cuts and lack of action by the Oregon Legislature to meet the need. Most recently, ODOT was forced to cut \$400 million from its Modernization Program. Highway "Demo" projects represent a possibility for helping to meet these needs. The state should submit projects that have the greatest likelihood of being included as "Demo" projects.

19. Fix the six-month lapse in ISTEA. In 1997, Congress failed to agree on the update to ISTEA which lapsed on September 30, 1997. In order to assure continued flow of funds to the states and localities, a six-month interim extension was adopted. Without action by Congress, all federal spending will come to a halt on May 1, 1998, right before the start of the 1998 construction season. It is essential that Congress act to avoid this lapse and to provide the second half of funding for federal fiscal year 1998.
20. Support for Transportation/Land Use Program. Senator Wyden has sponsored a program to provide funds to states and localities for land use actions which support transportation. Eligible activities would include transit-oriented development, right-of-way protection, access management, and interchange management plans. The region supports enactment of this program and award of one of the discretionary grants to Oregon and the Portland region.
21. The Congress should not limit the options available to states on the methods of collecting transportation user fees, particularly to provide the means of maintaining cost-responsibility between light and heavy vehicles.

Project Priorities

FY 97 ~~is~~ was the final year of ISTEA which was adopted in 1991. In 1997~~8~~, both consideration of the FY 98-2003 ISTEA and the FY 98~~9~~ Appropriations Bill will provide opportunities to consider earmarking projects. The following priorities should be considered for funding through the ISTEA reauthorization or appropriations or other legislative actions. This list should be accepted on a preliminary basis to allow for coordination with ODOT on statewide priorities. It may be necessary to add projects elsewhere in the state or delete some Portland area projects. The "Regional Priority Projects" are endorsed as priorities for all jurisdictions of the region while the other projects are a priority for individual jurisdictions.

A. Regional Priority Projects

1. Completion of Westside/Hillsboro LRT project - Section 3.

~~\$74 million of "contingent commitment" for the Hillsboro extension must be authorized in ISTEA; in addition,~~
\$10036.8 million remains to be appropriated as the final appropriation in FY 989 for this project.

2. Initiation of South/North LRT project - Section 3.

~~It is the intent of the region to re-examine the scope and cost of the South/North project now under consideration in order to define a Phase I project that meets regional objectives within a more constrained budget and to seek federal "New Rail Starts" funding. In March 1997, the region will amend the alternatives now under consideration in the Draft EIS. This project is likely to require partial funding in the next ISTEA and a commitment to complete the funding in the following ISTEA. implement a phased South/North LRT project from the Clackamas Regional Center to Vancouver, Washington. The Draft EIS will be published in February 1998 to provide the basis for adoption of the final alignment and phasing plan. The Final EIS is scheduled for completion in early 1999 which will allow Tri-Met to enter into a Full-Funding Grant Agreement with the Federal Transit Administration in the summer of 1999 for the first construction segment. In support of this project, the region is seeking \$487.1 million in construction authorization for the project in the ISTEA update and an FY 99 appropriation of \$30 million for completion of preliminary engineering, the Final Environmental Impact Statement and final design and initial right-of-way purchases.~~

Also needed to accomplish this is a local and regional commitment over this same time period. Consideration should be given to various local and regional sources in addition to the \$475 million General Obligation Bond Measure, and the \$55 million of regional STP funds and the \$10 million of Clackamas County urban renewal funds.

~~The region will consider adoption of a detailed financial plan for this proposal in March 1997.~~

3. Deepening of the Columbia River Ship Channel - Corps of Engineers.

The Port of Portland, in cooperation with other Columbia River ports, is seeking Corps of Engineers funding to deepen the Columbia River ship channel to accommodate larger ocean-going vessels. This is critical to the international competitiveness of the Portland area and the greater Columbia River Basin and directly tied to truck and freight rail access improvements in the Rivergate area.

We strongly support continued funding of \$725,000 per year in Fiscal Years 1998 and 1999 for the U.S. Army Corps of Engineers' completion of the feasibility and environmental studies for the Columbia River channel deepening.

The region also encourages Congress to approve bill language to provide a contingent authorization of ~~\$65 million~~ for the federal share of the project, subject to required environmental, economic and engineering reviews. This authorization is a critical step in keeping the project on schedule for construction early in the next decade.

4. I-5 Priority Trade Corridor

The region requests earmarking \$10 million to the states of Oregon and Washington and the affected regional and local governments in the Portland-Vancouver area to develop a strategic plan to correct deficiencies in the bi-state I-5 Trade Corridor. This planning process should address and develop agreement on actions needed to meet the following needs:

a. Structural, functional and capacity limitations on the I-5 Columbia River bridge and the I-5 approaches on both sides of the Columbia River causing congestion during commute periods, thereby impeding interstate and international commerce across the Columbia River.

b. Impacts of congestion on access to the Port of Portland and Vancouver.

- c. Access routes to and from Port of Portland and Vancouver terminals, including Marine Drive, Columbia Boulevard, Mill Plain Road, access to West Hayden Island and access between the two ports.
- d. Effects of increased size and volume of barge traffic on I-5 and Burlington Northern Railroad lift spans and the resulting disruption to vehicular traffic. This could include Coast Guard involvement in correcting lift span problems, changing the location and/or depth of the main shipping channel and/or changing restrictions on hours of operation of the I-5 lift span.

Upon completion of this planning process, implementation priorities will be defined which could affect future ISTEA and appropriation requests. If the Congress chooses to appropriate funds toward construction projects in this I-5 Trade Corridor, the region has projects that could proceed to implementation immediately.

B. Local or Agency Priority Projects

Projects presented in this section are acknowledged by the region as being a priority by one or more individual jurisdiction or agency in the Portland region. The projects presented below are grouped into a first component encompassing projects that our Congressional delegation have requested for inclusion in ISTEA and a second component which remain priorities and should be considered for funding if the opportunity arises.

PREVIOUSLY REQUESTED CONGRESSIONAL PRIORITIES

1. I-5/Highway 217/Kruse Way Interchange - FHWA Demo project.

A revised design has been developed and endorsed by ODOT, the affected local governments and Metro. \$38 million of Highway Demonstration funds or Interstate Discretionary funds would allow this critical I-5 bottleneck and safety problem to be corrected.

2. Sunnybrook Interchange - FHWA Demo project.

Project development on this project is nearly complete. \$19 million of Highway Demonstration funds or Interstate Discretionary funds in combination with previously committed ODOT and local funds would allow this project to proceed on schedule.

3. South Rivergate Railroad Overcrossing/Columbia Boulevard Corridor - FHWA Demo project.

Columbia River channel dredging and Rivergate rail improvements are increasing the cargo movements into and out

of the Rivergate port terminals. \$15 million of Highway Demonstration funds for this railroad grade separation would enhance truck access to these terminals. This project is the second in a series of planned improvements in the Columbia Boulevard corridor between Rivergate and I-205.

54. Lovejoy Ramp Removal/Broadway Bridge Rehabilitation - FHWA Demo and Bridge Program.

Replacement of the Lovejoy ramp in the River district and upgrade to the Broadway Bridge will enable major redevelopment in this Central City district. \$15 million of Highway Demonstration funds and \$10 million of Highway Bridge Repair and Replacement funds would allow these projects to proceed.

95. Willamette Valley High-Speed Rail - High-Speed Rail Account.

Funding should be sought for track upgrade to improve speed and safety. The Eugene to Vancouver, B.C. corridor is one of five priority corridors selected by USDOT following establishment of the High-Speed Rail Program in the last ISTEA. A component of these funds should be through the recently authorized Amtrak capital improvement funding program.

106. Transit-Oriented Development Revolving Fund - Section 3.

In 1994, \$3 million of Regional STP funds were allocated to establish this revolving fund. Initiation of the grant application through the Federal Transit Administration is now in progress was awarded in May 1997 and the program is now being implemented. In addition, \$10 million of Section 3 funds would additional funding is now being sought to allow additional projects adjacent to LRT to be implemented. Potential sources for these funds include HUD or through the land use program proposed by Senator Wyden to be included in ISTEA.

OTHER PRIORITIES

41. Sunset Highway - Phase III.

The Westside Corridor Project included both LRT to Hillsboro and Sunset Highway improvements. The Sunset Highway projects, however, have been delayed due to lack of funding. This \$27 million would allow the next logical phase to proceed.

72. 242nd Avenue/I-34 Connection: Mt. Hood Parkway Interim Improvement.

242nd Avenue is the region's designated NHS corridor connection between I-84 and U.S. 26. Existing roads in this corridor are poorly connected to these highways or provide less direct travel into and out of the region for autos and substantial truck movements.

The proposed project will provide for a more direct connection to I-84 by extending 242nd Avenue northerly from Glisan Street to Sandy Boulevard and connecting to I-84 via ramps. Development of this alignment will replace a hazardous, steep three-lane road (238th Avenue) which has a high accident rate and must be closed during icy conditions. Existing East County streets used for travel into and through the region are projected to suffer from increased congestion. Thus a more direct route with access control and with some operational changes can better serve these substantial non-local traffic movements.

Much of the right-of-way is currently owned by Multnomah County and ODOT. Project cost for project construction is \$20 million. An additional \$5 million is proposed to make operational enhancements to the existing 242nd Avenue to improve flow and eliminate bottlenecks.

83. Cornell @ Cornelius Pass and Baseline @ 185th Intersections.

Implementation of the Region 2040 Growth Concept in the vicinity of the Westside LRT project creates the need to also provide road improvements. This \$12 million demonstration project will identify and construct the correct solution to accommodate the land use regime the region desires for this area.

114. Federal demonstration funds for a regional "Intelligent Transportation System" should be sought. This technology shows promise to improve the efficiency of the region's freeway, arterial and transit systems.

5. Buses

Tri-Met has a continuing need to expand its fleet by 18 buses per year in addition to the routine placement of 34 buses. Tri-Met should work with ODOT to develop a statewide funding request for bus-related improvements by transit systems statewide.

- ~~6. Seek federal discretionary funds to "capitalize" the Oregon State Infrastructure Bank for such projects as the Tualatin Expressway and cash flow management for the Westside LRT project.~~

The criteria for recommending these projects is as follows:

1. Projects are of statewide significance.
2. Projects can be built within the timeframe of the next ISTEA bill (1998-2003).
3. There is a strong base of support for the project within the governments, community and business organizations.
4. The proposal would bring new funds to the state, not merely result in reallocation of existing funds.
5. Members of the Congressional delegation express a willingness to pursue the project.
6. There should be a short list of priorities.
7. The list should be integrated with ODOT's statewide priorities.