

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING ) RESOLUTION NO. 99-2754  
THE USE OF PASSENGER FACILITY )  
CHARGES FOR CONSTRUCTION OF )  
THE LIGHT RAIL PROJECT TO )  
PORTLAND INTERNATIONAL ) Introduced by:  
AIRPORT ) Jon Kvistad, JPACT Chair

WHEREAS, Air passenger traffic at Portland International Airport is expected to increase significantly over the next 20 years; and

WHEREAS, Reliable access to the airport is a key concern of the air traveler; and

WHEREAS, It is in the interest of the region to implement a regionwide comprehensive transportation network, including a light rail transit system to Portland International Airport; and

WHEREAS, The roadway system accessing the airport currently operates at or near capacity during peak hours and is expected to worsen as the airport continues to grow and the Portland International Center develops; and

WHEREAS, The Port of Portland and the region have made mode diversification, including light rail transit, part of the comprehensive transportation strategy for passenger access to the airport; and

WHEREAS, An extension of the light rail system to Portland International Airport is called for in the *Regional Transportation Plan*. The extension will complement the existing Eastside and Westside light rail lines, and will connect the airport with the high-volume tourism destinations in downtown Portland; and

WHEREAS, The use of Passenger Facility Charges is a critical component of the financial package for construction of the "Terminal Segment" of the light rail project; and

WHEREAS, Development of the Portland International Center should be integrated with light rail expansion; and

WHEREAS, The Federal Aviation Administration will hold a 30-day public comment

period on the Port of Portland's application to use Passenger Facility Charges for construction of the light rail project; the public comment period is expected to be between mid-February and mid-March; and

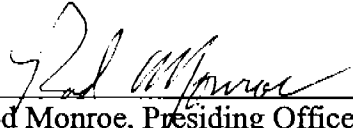
WHEREAS, An innovative plan to finance the extension of light rail to Portland International Airport has been developed by Tri-Met, the City of Portland, and the Port of Portland; now, therefore,

BE IT RESOLVED:


That the Metro Council:

1. Affirms its support for a local funding plan for the Portland International Airport light rail project that includes private, airport-related and other local and regional sources.
2. Supports extension of the regional light rail system to Portland International Airport with specific funding for the "Terminal Segment" through the use of Passenger Facility Charge revenues as proposed by the Port of Portland.
3. Supports the innovative public-private partnership for land and light rail development for the Portland International Center segment of the project.

ADOPTED by the Metro Council this 25<sup>th</sup> day of February, 1999.

  
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Rod Monroe, Presiding Officer

Approved as to form:

  
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Daniel B. Cooper, General Counsel

## STAFF REPORT

### CONSIDERATION OF RESOLUTION NO. 99-2754 FOR THE PURPOSE OF ENDORING THE USE OF PASSENGER FACILITY CHARGES FOR CONSTRUCTION OF THE LIGHT RAIL PROJECT TO PORTLAND INTERNATIONAL AIRPORT

Date: January 20, 1999

Presented by: Andrew Cotugno

## PROPOSED ACTION

This resolution would demonstrate regional support for the Port of Portland's application to the Federal Aviation Administration to allow the use of some of the Passenger Facility Charge funds collected at the Portland International Airport for construction of the "Terminal Segment" of the Light Rail extension to the Airport.

## FACTUAL BACKGROUND AND ANALYSIS

### *Proposed Project*

The proposed project is a 5.5 mile extension of the Metropolitan Area Express (MAX) light rail line from the existing Gateway Transit Center to the main passenger terminal of the Portland International Airport. North of Gateway, the route would parallel Interstate 205 in the center of the existing freeway right-of-way. Just south of the Columbia Slough, the line would cross over I-205 and turn northwest, traversing the Portland International Center (PIC). The PIC is a 458 acre, master-planned, mixed-use (office, retail, hotel and industrial) development area southeast of the airport. The line would then run parallel to Airport Way and terminate at the Airport Terminal. Four stations would be constructed: one adjacent to the existing Parkrose park-and-ride lot, two within the PIC and one in the baggage claim area at the Airport.

### *Regional Transportation Plan*

Metro's Regional Transportation Plan (RTP) is based upon a multi-modal approach to addressing the transportation problems and opportunities throughout the region. As such, it includes elements of a comprehensive transportation system, including light rail as a key component of the transit system, as well as highways, roads, bridges and facilities for freight, bicycle users and pedestrians.

The RTP's light rail element calls for four primary light rail lines: the existing Eastside and Westside lines and the South/North line, with a variety of possible extensions once the primary light rail system is in place. One of the light rail extensions called for in the RTP is a line connecting the existing Eastside MAX line at the Gateway Transit Center with the Portland International Airport.

### *Airport Terminal Expansion and Light Rail Connection*

Previous plans for a light rail extension to the Airport have been linked to both terminal facility expansion plans and projected Airport passenger use. The terminal expansion currently under construction provides for integration of a light rail station within the terminal. The Airport light rail extension was also intended to serve employment trips to and from the Airport and the adjacent multi-use development park located between the Airport terminal and I-205.

### *Innovative Financing Approach*

The Bechtel Infrastructure Corporation proposes to invest up to \$30 million in development of the light rail extension and other PIC infrastructure improvements. In exchange for this investment, Bechtel would receive the development rights to 120 acres of land in the northeast section of the PIC. The Port of Portland owns this land and would lease it to Bechtel under an 85-year agreement. The preliminary development plan for the 120-acre site includes approximately 1,470,000 square feet of office space; 525,000 square feet of retail space; and 540 hotel rooms. The development plan for the PIC project is oriented around two proposed light rail stations on the site.

### *Use of Passenger Facility Charges*

The Passenger Facility Charge funds would be used for construction of the "Terminal Segment" portion of the project. The funds would be used for construction of light rail facilities on Port of Portland property only. A combination of other local (Tri-Met, \$45.5 million; City of Portland, \$23.0 million; and Bechtel, \$28.2 million) funds would be used to fund the remainder of the construction costs.