

Metro | Agenda

Meeting: Lake Oswego to Portland Transit Project Steering Committee
Date: Tuesday, Nov. 16, 2010
Time: 9 to 11 a.m.
Place: Metro Regional Center, council chambers
Purpose: Discuss DEIS highlights including financial plan
Outcome: Understand latest DEIS information; receive project updates, discuss next steps

9 a.m.	Welcome and agenda review	Councilor Liberty, Co-chair
9:15 a.m.	Public comment	Councilor Liberty, Co-chair
9:30 a.m.	Project update <ul style="list-style-type: none">• Timeline• Budget	Doug Oblatz, SOJ
9:45 a.m.	DEIS highlights <ul style="list-style-type: none">• Ridership• Travel time• Environmental impacts	Jamie Snook/Bridget Wieghart, Metro
10 a.m.	Public involvement update <ul style="list-style-type: none">• CAC leanings• Meetings• Comment process	Karen Withrow, Metro
10:15 a.m.	Finance update	Rick Gustafson, SOJ
10:30 a.m.	LPA process	Doug Oblatz, SOJ
10:45 a.m.	Discussion	Councilor Liberty, Co-chair
11 a.m.	Adjourn	Councilor Liberty, Co-chair



Draft for approval

Lake Oswego to Portland Transit Project Steering Committee

Wednesday, July 13, 2010

9 a.m. to noon

Metro Regional Center, room 401

Committee Members Present

Councilor Robert Liberty, co-chair	Metro Council
Councilor Carlotta Collette, co-chair	Metro Council
Mayor Jack Hoffman	City of Lake Oswego
Neal McFarland	TriMet
Douglas Obletz	Shiels Obletz Johnsen
Michael Powell	Portland Streetcar, Inc.
Jason Tell	Oregon Department of Transportation

Alternates Present

Catherine Ciarlo	City of Portland
Commissioner Ann Lininger	Clackamas County

Committee Members Excused

Mayor Sam Adams	City of Portland
Commissioner Deborah Kafoury	Multnomah County
Commissioner Lynn Anne Peterson	Clackamas County

Project Staff

Alan Lehto, Ann Becklund, Brant Williams, Brian Monberg, Bridget Wiegart, Jamie Snook, Joseph Auth, Karen Withrow, Leslie Hildula, Mauricio LeClerc, Paul Smith, Ralph Drewfs, Rian Windsheimer, Rick Gustafson, Clifford Higgins, Steve Siegel

I. CITIZEN COMMUNICATION

Charles “Skip” Ormsby, representing the Birdshill CPO/NA advised the committee of the resolution passed by the CPO/NA, requesting that the travel destination for the DEIS be specified as Pioneer Courthouse Square, that TriMet Line 35 be rerouted to emulate the alignment of the streetcar alternative, and the release of documents.

Co-chair Collette asked for clarification that the request was for Line 35 to be rerouted to 10th and 11th avenues through downtown Portland. Mr. Ormsby said that yes, that was the request.

Co-chair Liberty asked for clarification on which documents were requested for release. Mr. Ormsby stated that there were documents from the streetcar summit in Washington, D.C. that he was requesting.

Action Taken: None

II. PROJECT UPDATE

Project manager Doug Oblatz, Shields Oblatz Johnsen, provided a refresher on the three alternatives being studied for the Draft Environmental Impact Statement – no-build, enhanced bus and streetcar – as well as the five areas where there are design and/or phasing options for the streetcar alternative. Specifically addressing the three areas where there are phasing options, Mr. Oblatz described the coordination and impacts of other projects or aspirations for those areas.

- In South Waterfront, the City of Portland South Portal Project plans to extend the Moody/Bond couplet; the Willamette Shore Line option is being studied as a potential phasing option, which would depend on when they move forward with construction.
- In the Sellwood Bridge area, the Willamette Shore Line option could be a phasing option, dependant on Multnomah County’s timeline for the construction of the new west-end interchange.
- In the Foothills District of Lake Oswego, the Foothills option considers the city’s plans for redevelopment. The Union Pacific Railroad right of way option could go forward separate from that process.

Mr. Oblatz also provided a schedule for the publication of the DEIS. The third draft is scheduled to be sent for Federal Transit Administration review on July 19, with the hope that FTA final review and authorization for release of the DEIS will allow for publication in late September. The publication of the DEIS begins the 45-day public comment period, which on this schedule would end mid-November.

After the close of the public comment period, the Community Advisory Committee and the Project Management Group will make their recommendations for the Locally Preferred Alternative. These recommendations as well as public comment will be available to the Steering Committee for its consideration in making its recommendation.

The Steering Committee recommendation will be presented to the Lake Oswego and Portland planning commissions and city councils as well as elected or appointed officials at Clackamas and Multnomah counties, Portland Streetcar Inc., TriMet and Oregon Department of Transportation for their consideration.

Once confirmed by partner agencies, the recommendation will be forwarded to the Joint Policy Advisory Committee on Transportation and the Metro Council for final adoption. The current schedule for this process allows the Locally Preferred Alternative process to be completed by the end of the year.

Mr. Oblatz stated that there was a change in the projected opening timeframe for the build-project alternatives to 2017, stating that there had been a hope for new federal funding

opportunities that have not come to fruition. TriMet's analysis for operations budgeting also required the date to move back to the 2017 timeframe. Under the new timeline, construction would commence in 2015 for an opening of service in 2017.

The project is currently on budget. The most immediate planning and project development phase after the completion of the Locally Preferred Alternative decision-making process would be in 2011 and would require about \$1 million. About a total of \$25 million would be needed locally to complete the planning process if a build project goes through.

Project public involvement continues with monthly meetings to the Community Advisory Committee, preparing the committee for the details that they will see in the DEIS. A number of outreach events have occurred and several are scheduled and planned in the next couple of months. During the 45-day public comment period, staff is planning open houses and a hearing before this committee for the public to learn about and weigh in on the benefits and trade-offs for the alternatives.

Co-chair Liberty asked how the \$25 million that would precede federal funding would be spent. Mr. Oblatz replied that a scoping process for preliminary engineering and the Final Environmental Impact Statement would require about \$1.3 million, \$12 million would go to preliminary engineering and FEIS preparation, and \$12 million would be for final design, a 20 month process.

Mayor Hoffman asked when the committee would discuss potential sources for the \$25 million. Mr. Oblatz replied that the Project Management Group is beginning that conversation, and their considerations will be brought to the Steering Committee at a subsequent meeting. Co-chair Liberty asked how much of that money can be considered as match. Mr. Rick Gustafson stated that monies spent after the LPA can be used as match to federal funding.

Mayor Hoffman asked when the LPA is scheduled to be approved and if the FTA had to approve the LPA. Mr. Oblatz stated that the LPA is a local decision and that under the current schedule the decision-making process is mapped out for Metro Council approval of the LPA on Dec.13.

Action Taken: None

III. FEDERAL FUNDING PICTURE

Mr. Rick Gustafson, Shiels Oblatz Johnsen, provided an overview of the landscape of federal funding for transportation projects. He stated that the picture looks good, but financing is still in question. The amount of money that is available for the next six years is less than what was available six years ago, and there are more metropolitan areas competing for those funds. In lieu of a transportation funding authorization bill, the Obama administration is continuing financing through the general fund. There may be a transportation funding authorization bill this year; the Senate banking committee is currently drafting its bill, which is the start of the process.

This region is well positioned to meet new federal New Starts funding rules, which include the land use benefits of potential projects. The region's focus on land use planning is already recognized, and the analysis that we are used to doing for regional investments puts us ahead of the game. The streetcar alternative would go through the New Starts process; the enhanced bus

alternative may qualify for the Small Starts process. The FTA has added new programs that recognize streetcars and their benefits, even when they may not create travel time savings, which was the primary condition for federal funding before.

Mr. Gustafson expressed that he would not be surprised if there were an initiative this year for the federal transportation funding authorization, but he would also not be surprised if it failed.

Mr. Michal Powell asked a clarification about the difference between Small Starts and New Starts. Mr. Gustafson explained that Small Starts is for projects that are up to \$150 million, and the federal match is capped at \$75 million. New Starts is for projects over that amount.

Co-chair Liberty stated that he has heard questions about the amount of money that might be part of an authorization. He asked that since there is more competition for that money, if the region should plan for a 50-50 federal to local split instead of a 60-40. Mr. Gustafson replied that getting to a 50-50 local commitment with the streetcar alternative would be good, since current view of streetcar is as a circulator, which isn't funded under small starts. The Senate traditionally, has been more rural-oriented, and transportation funding authorization is controlled by the banking committee not the transportation committee. The rural focus has shifted to a more urban/rural balance since 2005.

Mr. Neal McFarland observed that Congressman DeFazio's bill has really informed the Senate, in his conversations with Senate staff.

Co-chair Collette asked if there isn't something in Congressman DeFazio's bill that there wouldn't have to be 50 percent, but it would be weighted as part of the criteria. Mr. Gustafson replied in the affirmative. Ms. Catherine Ciarlo asked if there is a desire to spread the money around or if it is from a desire to empower local communities. Mr. Gustafson said that both reasons are used but that it is primarily about spreading the money around, since there are so many applicants.

Action Taken: None

IV. FINANCE PLAN PRESENTATION

Mr. Steve Siegel, Seigel Consulting, presented an overview of the project finance plan (Document: Overview of Lake Oswego capital cost and finance issues, 071310losc-03).

(2.) Mr. Siegel stated that addressing the finance plan is complicated, with two build alternatives and with streetcar alternative's several design and phasing options. The streetcar alternative options lead to 96 permutations. The examples do not presume a final selection; they are just examples that he had on hand to illustrate the range of possibilities. His focus is on the streetcar alternative.

(3.) The funding numbers reflect the capital investment needed to meet operation demand in 2035, so they include future vehicle purchase that would not be needed at opening. YOY: Finance plans are calculated for year of expenditure, so these numbers are not 2010 dollars, but inflated to year of expenditure cost.

Donated right of way: The value of the Willamette Shore Line right of way can be used as part of the local match, but only the part that is used by the specified option. Value has to be included in the cost to use as part of the local match.

(6.) Mr. Siegel explained that interim borrowing costs accrue because the federal money has to go through the federal appropriation process. With that process, projects don't receive the money that they need when they need to spend it. Those monies are borrowed in the meantime and paid back when those appropriations come through.

The net finance cost pays for interest on monies used for local match, such as a bond issued by TriMet. Interim borrowing and net finance costs can continue even after opening day depending on federal appropriations and the local match borrowing plan.

(5.) The right of way costs are based on an appraisal done for TriMet in 2008. They tried to identify all interests along the Willamette Shore Line. There are several types of ownerships and easements. There is a factor that is used when those parcels are combined into one rail alignment which usually works against projects when trying to buy a rail line, but in this case works in this project's favor in the appraisal process. Another appraisal will be needed down the road for the funding process since the appraisal is already 2 years old.

(8.) The 50-50 split has mostly been focused on major projects. There may be a downward push for smaller projects, but if a project doesn't ask for 60 percent federal match, it won't get it. "Project specific match" is a term that Mr. Siegel coined to demonstrate new cash that needs to be compiled by local jurisdictions, since it does not include right of way donation or shared project contribution. The right of way donation and shared project donation is FTA recognized funding, but Mr. Siegel pulled out the project specific match to highlight what would need to be raised on the local level to fund the project.

(9.) This chart demonstrates that the higher capital cost of one design option over another does not always mean that the project specific match is higher.

(10.) Shared project contribution refers to other projects that are or would be happening, The Sellwood Bridge reconstruction, the South Portal Project and the Foothills District redevelopment plan.

Mr. Siegel described three scenarios for the shared projects and funding for the streetcar alternative: bad, OK and good. Bad would be if the streetcar goes first and separately as the phasing option and pays for everything. OK would be if the other project goes first and separately and pays for everything; this project would then pay for the phasing option designed for the completed shared project area. Good would be to coordinate construction so that, for instance with the South Portal Project, the City of Portland would pay for those changes to the South Waterfront access, but build in those costs in a streetcar finance plan so that the city's money reflects as local match.

(12.) One of the things that might happen is that the committee might want to bring in an LPA with these shared project costs but have a backup plan built in, in case the other project doesn't go forward. Otherwise, the project might need to do a Supplemental DEIS if the situation changes and one of the projects doesn't go through.

(13.) Mr. Siegel said that there was no strategy to picking these nine for examples; they are just to illustrate the range and the different possibilities.

Mr. Doug Oblatz explained that Mr. Siegel was asked to break down the complexities of the streetcar alternative and design options, but the enhanced bus is addressed in the DEIS funding chapter. The enhanced bus alternative would cost \$37.8 million, which would be \$51.1 million year of expenditure. That would break down to \$20.4 million in local funding, if we were to get \$30.7 million of federal match under Small Starts.

Co-chair Liberty mentioned that it would be nice if the committee could get a bracketed range showing federal match at 50 percent and 60 percent for the streetcar and enhanced bus alternatives, differentiating project cost and cost to local partners. He also asked why the value of the right of way in section 7 did not match the value of the right of way in section 9. Mr. Siegel explained that neither the high cost option nor the low cost option (section 7) uses the full value of the right of way; there is actually an option in between that uses more of the right of way.

Co-chair Liberty asked about the value of the right of way and the new appraisal in light of the recent and substantial drop in real estate values. He said that if there has been a significant change in the value, the committee would want a view of the changes to local match changes. He asked what the value of the right of way be set for Willamette Shore Line. Mr. Siegel said that the idea would be for the value to be set at the time of the full funding agreement but that the recent downturn had been considered in the estimates for what that value would be. Mr. McFarland said that the appraisal will follow federal guidelines and that the new appraisal would have to be within a specified timeframe to meet those guidelines.

Mr. Powell asked how it would work to go from a 60 to 50 percent federal match, asking if 60 percent is presumed and struck down, would it be back to the drawing board or if there is a way to demonstrate the contingency. Mr. Siegel replied that there have been FEISs that have gone forward with two funding plans when needed, but he recommends that that is not the best way to go. He argues that the project is better served to only show the 60 percent but also says that this group needs to be aware of the possibility of a 50 percent federal commitment.

Co-chair Liberty stated that he understood the strategy of going for the 60 percent but stated that if it changes to 50, there is a shock to that that could jeopardize the project. He advised that if the 50 percent match becomes the standard operating procedure, then other governments will change their proposals. To stay competitive, we will have to be look at how we address our process.

Action Taken: None

V. DISCUSSION

Co-chair Collette confirmed that the submission to FTA is next week. Mr. Oblatz confirmed, stating that staff hope that there would not need to be another response but it is the FTA's document.

Mayor Hoffman asked if the finance plan will be or has been submitted with the DEIS. Mr. Siegel replied that the plan had been submitted, but not in the form presented. He said that the DEIS needs to have an estimation with the options, and that it needs to speak to where the money might come from, but not in the detail that is needed for the FEIS.

Mr. Oblatz mentioned that the committee hadn't discussed operations and maintenance costs. He said that that analysis is being done currently and will be presented at the next meeting. Co-chair Collette asked when that meeting would be. Mr. Oblatz stated that it should be in September after Labor Day.

VI. ADJOURN

There being no further business, co-chair Collette adjourned the meeting at 10:25 a.m.

Meeting summary respectfully submitted by:

<SIGN HERE FOR FINAL VERSION>

Clifford Higgins

Attachments to the Record:

Item	Topic	Document Date	Description	Document Number
1	Agenda	7/13/10	July 2010 meeting agenda	071310losc-01
2	Meeting summary	7/13/10	January 2010 alignment tour summary	071310losc-02
3	Presentation	7/13/10	Overview of Lake Oswego capital cost and finance issues	071310losc-03

PROJECT PARTNERS

- Cities of Lake Oswego and Portland
- Clackamas and Multnomah counties
- Oregon Department of Transportation
- Portland Streetcar Inc.
- TriMet
- Metro



Choosing an alternative

Project partners have been working to develop a transit project that meets future travel demand between Lake Oswego and Portland, supports local and regional land use plans, and garners public acceptance and community support.

The process began with a wide range of alternatives that included bus, rail and river transit as well as widening or using reversible auto lanes on Highway 43. After discussion with the community-based project advisory committee and the public, in addition to technical analysis, the list of alternatives was narrowed to three alternatives: no-build, enhanced bus and rapid streetcar.

For the past few months, project partners have been completing a detailed analysis of the benefits and trade-offs of the three alternatives as well as different design options for the streetcar alternative. This analysis will soon be published for review and comment as the Draft Environmental Impact Statement. The publication occurs ahead of the determination of the Locally Preferred Alternative.

What do you think?

Which mix of benefits and trade-offs from the no-build, enhanced bus and streetcar alternatives offers the best transit option to meet the transportation needs for the corridor?

With the publication of the DEIS expected in fall 2010, project partners will ask the public to review and comment on the analysis results during the 45-day comment period to help decision-makers choose a Locally Preferred Alternative.

You'll have a chance to visit open houses and the project website for details about the project and the DEIS analysis, and comment online or at public hearing.

Decision-making timeline *

November	November-January	January-February
DEIS published	Open houses and public hearing	Partner agency action on
Comment period begins	Community advisory committee recommendation	Locally Preferred Alternative recommendation
	Comment period ends	
	Comment report published	

*Updated Sept. 28, 2010

Locally Preferred Alternative

The Draft Environmental Impact Statement analysis allows the public and decision-makers to thoroughly evaluate the alternatives (no-build, enhanced bus or rapid streetcar) and design (route) options that provide the best solutions to transportation needs in the corridor. The DEIS analyzes benefits and trade-offs of the physical characteristics, operating plans, ridership, revenues and social and environmental impacts.

The favored solution is identified as the Locally Preferred Alternative, which will advance to preliminary engineering and is further analyzed in a Final Environmental Impact Statement. The FEIS will respond to the substantive comments received from the public and other government agencies during the DEIS comment period. The FEIS will also define and commit the project to mitigation of impacts as identified in preliminary engineering.

Determining the Locally Preferred Alternative

The project steering committee will consider public comments, the DEIS analysis and recommendations from the community advisory committee and project management group to develop a Locally Preferred Alternative recommendation. The steering committee recommendation will be considered by the Lake Oswego and Portland planning commissions and city councils as well as elected or appointed officials at Clackamas and Multnomah counties, Portland Streetcar Inc., TriMet and Oregon Department of Transportation.

Once confirmed by partner agencies, the recommendation will be forwarded to the Joint Policy Advisory Committee on Transportation, a 17-member committee of elected officials and agency representatives that make recommendations to the Metro Council on transportation needs in the region. The JPACT recommendation will advance to the Metro Council for final adoption.

Find out more

Learn more about the project, process and previous analyses at www.oregonmetro.gov/lakeoswego. To sign up for e-mail updates and notifications, send e-mail to trans@oregonmetro.gov or call 503-797-1756.

Community advisory committee

The committee has been meeting monthly since fall 2009 to learn about the topics covered in the DEIS, provide feedback on the analysis, discuss the emerging themes from the data and, ultimately, provide a recommendation to the project steering committee on a Locally Preferred Alternative.

The community advisory committee includes members from the Johns Landing area, the unincorporated areas of Multnomah and Clackamas counties, Lake Oswego and interest groups such as the bicycle, pedestrian and transit-dependant communities.

Community advisory committee meetings are open to the public, and meeting information is available on the project website.

www.oregonmetro.gov/lakeoswego