

Portland Streetcar Eastside Steering Committee Meeting

April 7, 2004, Lloyd Center Tower, 825 NE Multnomah, 2nd floor conference room, 2:00PM
Members in Attendance: Hank Ashforth, chair; Rick Parker, vice chair, Mike Bolliger, Rex Burkholder, Susan Pearce, J.E. Isaac, Wayne Kingsley, Tom Markgraf, Rod McDowell, Bill Medak, Brad Perkins, Dee Walsh

Others: Chris Smith, Lee Perlman, Vern Rifer, Nicholas Starin

Staff Attendance: Kay Dannen, Peter Finley Fry, Vicky Diede, Rick Gustafson, Michael Harrison, Steve Iwata, Denyse McGriff, Owen Ronchelli, Sloan Schang, Phil Sellinger, Linda Nettekoven

1. Meeting called to order.

Hank called the meeting to order and was happy to announce that Congressman Blumenauer has obtained a commitment through the TEA-21 Transportation Reauthorization process for planning funds for the Eastside Streetcar in the amount of \$1.5 million.

2. Federal Funding for Conceptual Planning:

Tom Markgraf reported the house has approved \$275 million / the Senate \$318 million for TEA-21 reauthorization bill passed about every 6 years. Bush has said he would veto \$256 million (about 10% under 6 years ago), so negotiations are underway. The infrastructure across the United States is in serious need for dollars for improvements. Expect more information within a month. Congressman Blumenauer has been successful in positioning a companion bill, which is positive news for supporters of the streetcar. The companion bill includes changes to the standards used to evaluate a project for federal funding, instructing the Department of Transportation to consider the economic development impacts of a project. Streetcar supporters say the bill should make streetcars more competitive with light rail projects. Congressman Blumenauer was also able to get the Burnside couplet (eastside) and Gateway projects into this bill. \$7.8 million total for all three projects, including Eastside Streetcar.

Tom said that when the bill has been passed (assuming it gets signed by President Bush), decisions would be made on the process for distributing those funds. The HUD funds of \$295,000 have been appropriated but no notification of the availability has been received by the City as yet.

3. Local Funding for Conceptual Planning:

Sources have been identified for funding:

- PDC Convention Center URD \$600,000
- PDC Central Eastside URD \$500,000

Wayne Kingsley and Mike Bolliger confirmed that Don Mazziotti, Executive Director of Portland Development Commission (PDC) confirmed that these amounts are still allocated for Streetcar planning. It was explained to Mazziotti that Eastside Streetcar was formed into one Phase from NW 10th/Broadway to OMSI and should be funded as such. The URD planning commission hearing is scheduled for Monday, April 26 at Multnomah County, 501 SE Hawthorne from 5:30PM – 7:30PM. Matt Hennessey, is the chair of the Planning Commission. Steering Committee members are asked to testify – Mike Bollinger, Hank Ashforth, Susan Pearce and/or Linda Nettekoven, Wayne Kingsley indicated an availability to testify. Denyse from PDC to provide further details to the steering group.

4. Streetcar Conceptual Planning:

The RFP is being prepared for the selection of the streetcar planning consultant. Work is anticipated to begin in July based upon completion of the funding commitments requested for Eastside Streetcar. Work to be complete by the end of year at a cost of about

\$200,000. Streetcar then contracts with Metro to procure agreement from the Federal Transit Authority to start an environmental assessment. Demand analysis and alternative analysis studies also need to be completed and will be done by Metro.

Rod McDowell from OMSI noticed on the Streetcar Ringstrasse map distributed to the committee, that the OMSI alignment is incorrect. Rod has heard talk about using the Ross Island Bridge as a crossing point for light rail and OMSI is very opposed to that route. Maps will be redone and redistributed with the appropriate changes. Rick indicated the reason for the distribution of the maps was to see how the committee members felt about the colors assigned for Streetcar. Amber showing as the current alignment to Lake Oswego and Aqua showing as the eastside loop. The steering committee was OK with the color assignments.

5. LID Examples:

Review was done on the past three petitions that were formed to support capital funding as a mechanism for Eastside Streetcar construction. The first initial LID was formed to SW 10th/Market and included, for the most part, properties that were within two blocks of the Streetcar alignment. The 2nd LID was formed much like the first, which included the PSU extension to the current temporary terminus at PSU Urban Center. Phase I and II participants provided about 20% of the capital funding. The Phase III LID is in place, but property owners will not be assessed until the RiverPlace Extension construction project is completed. Agreement was made ahead of time for the maximum amount of the LID for each phase; however, assessment was not locked in until the project was completed. This resulted, in some cases, a reduction in the initial assessment because of development in the LID assessment area. Footage along the Streetcar alignment is divided into zone A & B with zone A frontage property and assessed at twice the rate as zone B, one block from the alignment. Special agreements were made with Hoyt Street Property, Legacy Good Samaritan and Portland State University. Phase I & II owner-occupied residential units were exempted, but not in phase III. Petitioners can bond this assessment over a 20-year period. This information was presented for discussion in order to review the potential for an LID on the Eastside to partially fund streetcar construction. Discussion was held by steering committee members regarding the practicality of forming LIDs for capital funding. There was some concern from steering committee members, if another assessment is feasible for Eastside. Wayne asked if revenue from systems charges could be used for Streetcar capital funding. State law prevents this use, but the law could be changed. As time draws nearer, Rick suggests that property owners, steering committee members form a committee to formulate funding mechanisms that will work for Eastside Streetcar capital funding.

6. Operating Funds and Streetcar Service Area:

Discussion was held on recommendations for an operation funding report prepared for the City of Portland. Streetcar is recommending beginning FY04-05, the City discontinue using parking fine revenues for Streetcar operations. It is recommended, instead, that the City's contribution, which includes funds raised by PSI activities, to the cost of operating the Streetcar be limited to 1/3 of the actual operating costs. These funds would be derived from the net revenues from parking meters within the Streetcar Service area. Net parking meter revenues are those revenues received from meters in the Streetcar Service Area after deducting the City's cost for maintaining and enforcing the parking. It is expected that within 5 years, there will be 4,000 new residential units in the Streetcar service area. Rick would like to tie Streetcar revenue directly to the parking meters in place and being added in the Streetcar service area for the City's portion of Streetcar operations funding. A decision on this proposal will be coming to City Council for a recommendation in 3 to 4 weeks.

7. Other Business.

Federal funds are anticipated at 50% but could be a higher percentage of capital funding. Wayne mentioned a recent meeting with Brant Williams and Michael Harrison, where it was discussed that PDOT is recommending increasing parking meter hours on the mall and extending to Sundays. Rex suggested that the off-street parking formula needs to be addressed.

8. Next Meeting.

The next meeting of the Steering Committee is to be held on Wednesday, May 18, 2004, at 2:00p.m. at the Lloyd Center Tower, 825 NE Multnomah, 2nd floor (next to Café Today).