

ORDINANCE No. 189116

Authorize an Intergovernmental Grant Agreement with TriMet for the Division Transit Project in an amount not to exceed \$15,730,000 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. TriMet is created and operated under ORS Chapter 267, and owns and operates the public mass transit system serving the tri-county area of Multnomah, Washington, and Clackamas counties. The City is a municipal corporation organized under the laws of the State of Oregon.
2. Pursuant to ORS Chapter 190, the Parties have the authority to enter into this Agreement.
3. The Division Transit Project (Project) plans to bring bus rapid transit (BRT) to SE Division Street between downtown Portland and Gresham, creating more reliable and faster service for riders to get to school, home, work, worship, shopping, and services.
4. On May 13, 2015, the Portland City Council voted unanimously to support entering the Project Development phase of the Project and declare its intent to provide \$2 million of Transportation System Development Charge (TSDC) funds for Project Development in Fiscal Years 2015/16 and 2016/17. (Resolution 37123).
5. On July 27, 2016, Portland City Council adopted Resolution No. 37224 to adopt the Powell-Division Transit and Development Project - Portland Local Action Plan for land use concepts, affordable housing investments, and community development actions for the portion of the Powell-Division transit corridor within the City of Portland.
6. On December 7, 2016, the City of Portland adopted Resolution No. 37254 accepting a bus rapid transit alignment primarily along SE Division Street as the Locally Preferred Alternative for the Project and the associated Locally Preferred Alternative Conditions of Approval.
7. On December 14, 2016, the TriMet Board adopted Resolution No. 16-12-70 recommending the proposed Division Transit Project Locally Preferred Alternative for Metro Council adoption; and describing TriMet's (i) intent to reallocate Line 4 (Division Street) service hours within and intersecting the Powell-Division corridor and (ii) design and construction programs for mitigating impacts on adjacent business and residences.

8. On June 7, 2017, pursuant to the allocation of certain regional flexible funds from the Metropolitan Improvement Program (MTIP) under Metro Resolution No. 17-4800, Metro and TriMet entered an intergovernmental agreement wherein TriMet committed to provide \$25,000,000 for the design and construction of the Project.
9. The Parties plan to fund the Project, in part, with a grant of Small Starts Funds from FTA; receipt of such grant funds is conditioned on receipt of a Construction Grant Agreement ("CGA") between TriMet and FTA.
10. Among other requirements, to be eligible to receive a CGA from FTA (i) the Project must achieve a sufficient rating under FTA regulations and (ii) TriMet must demonstrate to FTA that it has all required funding for the Project, other than the Small Starts funds, fully committed.
11. In February 2018, TRA released its Annual Report on Funding Recommendations for the FY 2019 Capital Investment Grants Program, wherein FTA rated the Project as Medium-High; making a Division Transit Project of less than \$175 million eligible for a Small Starts grant of up to 50% of eligible project costs, subject to certain requirements.
12. The parties desire to (i) complete the funding plan for the design and construction of the Project by each committing additional funds to the amounts they committed in 2015 and (ii) document each Party's additional funding commitment in a manner acceptable to FTA and consistent with the requirements for receipt of a CGA for the project.
13. The City of Portland, Bureau of Transportation (PBOT) has agreed to increase its contribution to an amount not to exceed \$17.73 million for project improvements within the City of Portland limits.
14. The Bureau's level of confidence in the cost estimate for this project is high based on FTA Small Starts project rating.

NOW, THEREFORE, the Council directs:

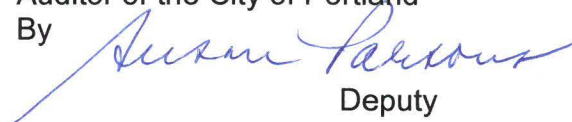
- a. That the Commissioner-in-Charge is hereby authorized that the City is sanctioned to enter an IGA substantially in the form attached hereto as Exhibit A, under which PBOT will hereby grant to TriMet local matching funds in the amount of \$17,730,000 to develop and construct the Division Transit Project. Prior to execution of this Agreement, pursuant to IGA No 933686 between Metro and the City (dated October 19, 2015), the City contributed a total of \$2 million (consisting of \$1,000,000 in funds and \$1,000,000 in in-kind services) to pay the costs and expenses Project Development. Under this agreement, the city is hereby authorized to grant TriMet, \$15,730,000 million in additional Local Matching Funds, totally \$17,730,000 as laid out in the Financial IGA.

189116

Passed by the Council, AUG 15 2018

Commissioner Dan Saltzman
Prepared by: Caitlin Reff: CK
Date Prepared: 7/9/2018

Mary Hull Caballero
Auditor of the City of Portland
By


Deputy

Agenda No.
Ordinance NO.

189116

Title

with

Authorize ~~the~~ Intergovernmental Grant Agreement for the Division Transit Project ~~between~~ TriMet and the City in an amount not to exceed \$15,730,000 (Ordinance)

<p align="center">INTRODUCED BY Commissioner/Auditor: Dan Saltzman</p>	<p>CLERK USE: DATE FILED <u>JUL 31 2018</u></p>
<p align="center">COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration – Wheeler</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman <i>Dan Saltzman</i></p> <p>Position 4/Safety - Eudaly</p>	<p align="center">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p align="center">BUREAU APPROVAL</p> <p>Bureau: PBOT Group: CDD Group Manager: Millicent Williams Asst. Director: Chris Warner <i>[Signature]</i></p> <p>Prepared by: Caitlin Reff; CK <i>CK</i> Supervisor: Teresa Boyle <i>Teresa Boyle</i> Date Prepared: July 9, 2018</p>	<p>ACTION TAKEN:</p> <p align="center">AUG 08 2018 PASSED TO SECOND READING AUG 15 2018 9:30 A.M.</p>
<p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan <i>[Signature]</i></p>	
<p>Council Meeting Date August 9, 2018</p>	

AGENDA	<i>2 of 2</i>
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 2:00 Total amount of time needed: 1 hour (for presentation, testimony and discussion)</p>	
<p>CONSENT <input type="checkbox"/></p>	
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>	

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Eudaly	4. Eudaly	_____	
Wheeler	Wheeler	✓	