

## How to Save \$1.3 Billion While Improving Transit to Milwaukie

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*August 9, 2011*

On June 30<sup>th</sup>, TriMet officially broke ground on the new, “transit-only” bridge across the Willamette River that is supposed to serve the Portland-Milwaukie light rail line. The total project is budgeted at \$1.5 billion, and TriMet is hoping to get the federal government to pay 50% of the cost, or \$750 million.

Unfortunately for TriMet, almost none of the money is secure, and the big federal ask has grim prospects. The recently-signed Budget Control Act of 2011 requires Congress to reduce federal spending by \$917 billion over the next 10 years. In addition, the federal highway trust fund (which pays for most federal transit subsidies) is due to go bankrupt next year if current spending patterns are maintained. As a result, House committee chairman Rep. John Mica (R-Florida) has released the outline of a six-year transportation spending bill forecasting a 35% cut in federal highway/transit spending.

What happens if Congress chops federal funding for Milwaukie light rail down to \$300 million, or deletes it entirely? Local elected officials have no “Plan B.” But such a plan does exist, and can be implemented right now. Here are the basic elements:

- **Finish the new Willamette river bridge.**
- **Cancel the light rail project.**
- **Connect the streetcar loop.**
- **Improve transit to Milwaukie with more express bus service.**

The new transit-only bridge is currently being constructed between the South Waterfront district and the OMSI neighborhood. We don’t have to waste this work. We can simply eliminate the light rail portion and allow auto/truck traffic instead. The South Waterfront district desperately needs an east portal, and traffic surveys show that roads currently account for 91% of all weekday trips to and from the district. Allowing cars on the bridge solves the long-term access problem for that neighborhood.

The east-side streetcar project is already half-built, but running it on the new transit bridge *is not* part of the Milwaukie light rail project. If we cut light rail, we can add the streetcar (sharing the same right-of-way with autos and trucks), thereby providing trolley service from PSU through the South Waterfront district and on to the OMSI neighborhood. This will provide the same transit function as light rail, in the same neighborhoods, without destroying Lincoln Street in downtown Portland -- now scheduled for demolition beginning September 15<sup>th</sup> (including



clear-cutting of more than 65 mature shade trees). The streetcar already serves Harrison Street, which runs parallel to Lincoln just two blocks to the north.

The cheapest way to provide better service to Milwaukie is to offer more express and limited-stop service in the McLoughlin corridor. This will not require any new private property, thus saving the 68 businesses and 20 residences now slated for destruction if we build light rail. Since traffic “gridlock” on McLoughlin is a myth (at most times of the day *speeding* is a bigger problem than *congestion*), improved bus service will actually provide faster service than the slow train ever would have.

### **Financial Benefits of the Alternative**

This plan gives rail transit advocates a partial victory by bringing the streetcar over the new bridge earlier, makes fuller use of the bridge, and saves about \$1.3 billion in construction costs. Specific neighborhoods will benefit in the following ways:

- Portland has pledged at least \$40 million for light rail, which would supposedly come from new development impact fees, property taxes from several Urban Renewal districts, and parking meter revenues. Eliminating light rail allows those funds to be used for many other civic improvement projects.
- Clackamas County is on the hook for \$25 million, which it would have to borrow. Eliminating light rail will save county taxpayers \$45 million in debt service.
- The city of Milwaukie has promised \$5 million. Cutting light rail will save the city about \$9 million in debt service on bonds.
- TriMet plans to sell at least \$60 million in revenue bonds, backed by future payroll tax revenues. But this will directly cannibalize the agency’s general fund by more than \$100 (with interest payments), which will reduce bus service. Cancelling light rail would allow TriMet to improve bus service as well as begin making payments into employee retirement trust funds, which are under-funded by more than \$1.2 billion.
- Metro mortgaged the region’s transportation future by approving more than \$185 million for Milwaukie light rail in “flex-funds” it will receive from the federal government during the next 15 years. But those funds are needed elsewhere for much more important projects, such as the Sellwood Bridge replacement.

Building a slow train to Milwaukie simply to replace current (and faster) bus service never made any sense. In the new era of federal downsizing, a \$750 million subsidy for one rail line to a Portland suburb is a fantasy. It’s time to cut our losses and get real about local transportation needs.