

Attachment 2 – 28-30 Regional Flexible Fund Step 2 Allocation Package Options & Responses

28-30 Regional Flexible Fund Step 2 Initial Allocation Package Options and Responses:

To develop the initial package options discussed at the June 6th TPAC and at subsequent coordinating committees, Metro staff used an assessment applying the four of the five components to inform the development of a Step 2 allocation package options. Each package totals approximately \$49 million, which is the estimated amount of the Regional Flexible Funds available in the 28-30 cycle. These four components included:

1. Meeting the 2028-30 RFFA Program Direction objectives, including advancing RTP goals, investing across the region, and honoring prior commitments of Regional Flexible Funds, and funding leverage
2. Project technical scores, based on the results of the Outcomes Evaluation
3. Public support, based on the results of the public comment project ratings
4. Input from TPAC and JPACT on the illustrative concepts, along with additional considerations shared in their May 2025 meetings

Step 2 Allocation Package Options

Building a Step 2 allocation package among a competitive pool of applications is challenging. Metro staff's assessment across the five components—Program Direction objectives, technical evaluation, public comment, illustrative concepts input from TPAC and JPACT, and coordinating committee and the City of Portland priorities—highlights the individual and different strengths of each Step 2 application project. Tables 2 - 4 present two revised Step 2 allocation package options. Each package option gives slight emphasis on one of the four components. In summary the initial Step 2 allocation package options can be described as:

- Option 1: Meets many of the components to build a Step 2 allocation with emphasis on the technical evaluation results.
- Option 2: Meets many of the components to build a Step 2 allocation with emphasis on input given by JPACT to align Step 2 investments with other larger capital investments.
- Option 3: Meets many of the components to build a Step 2 allocation with a nod to the public comment.

Allocation Package Option 1

Allocation Package Option 1 emphasizes high performance across the four components: Program Direction, technical evaluation, public support, and responsiveness to concepts input. Most Option 1 projects met more than half of the objectives of the Program Directions and Concepts and projects were within the top 10 scoring projects in the Outcomes Evaluation. Option 1 is most consistent with input from TPAC and JPACT to respect the outcome of the technical evaluation results.

Table 2. 28-30 Regional Flexible Fund Step 2 – Allocation Package Options 1

Project Name	Applicant	Requested Amount
NE 223rd Ave: NE Glisan to NE Marine Dr Safety Corridor Planning	Multnomah County	\$897,300
NE Glisan St: 82nd Avenue Multimodal Safety and Access	Portland	\$7,577,698
NW Division Street Complete Street: Gresham-Fairview Trail - Birdsdales Avenue	Gresham	\$4,067,495
NE MLK Jr Blvd Safety and Access to Transit	Portland	\$4,879,517
Cedar Mill Better Bus and Access to Transit Enhancements	Washington County	\$5,252,300
NE Prescott St: 82nd Ave Multimodal Safety and Access	Portland	\$7,732,932

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Westside Trail Pedestrian and Bicycle Bridge Over Highway 26	Tualatin Hills Parks & Recreation District	\$6,000,000
Gladstone Historic Trolley Trail Bridge Construction	Gladstone	\$8,721,932
Railroad Avenue Multiuse Path: 37th Avenue to Linwood Avenue	Milwaukie	\$2,707,217
	Total	\$47,836,391

Allocation Package Option 2:

Allocation Package Option 2 emphasizes high performance in the Outcomes Evaluation and the Program Direction objectives while taking into consideration JPACT input from the Illustrative Concepts to include projects that complement recently built, currently active, or Step 1A.1 bond capital transportation projects. All Option 2 projects scored in the top half (top 12) of applications in the Outcomes Evaluation and a majority meet over half of the Program Direction objectives.

Table 3. 28-30 Regional Flexible Fund Step 2 – Allocation Package Options 2

Project Name	Applicant	Requested Amount
NE 223rd Ave: NE Glisan to NE Marine Dr Safety Corridor Planning	Multnomah County	\$897,300
NE Glisan St: 82nd Avenue Multimodal Safety and Access	Portland	\$7,577,698
NW Division Street Complete Street: Gresham-Fairview Trail - Birdsdales Avenue	Gresham	\$4,067,495
Cedar Mill Better Bus and Access to Transit Enhancements	Washington County	\$5,252,300
NE Prescott St: 82nd Ave Multimodal Safety and Access	Portland	\$7,732,932
Westside Trail Pedestrian and Bicycle Bridge Over Highway 26	Tualatin Hills Parks & Recreation District	\$6,000,000
Beaverton Downtown Loop: SW Hall Blvd – 3rd to 5th St	Beaverton	\$4,649,687
OR 212/224 Sunrise Hwy Phase 2: Bike/Ped Facilities and Interchange Improvements (CON)	Happy Valley	\$12,026,118
	Total	\$48,203,530

Allocation Package Option 3

Allocation Package Option 3 emphasizes high performance in the Outcomes Evaluation, the public comment project ratings, and Program Direction objectives. The majority of Option 3 projects met more than half of the objectives of the Program Direction and are responsive to TPAC and JPACT input on the Illustrative Concepts. Option 3 gives additional consideration to the public comment by including the highest rated Step 2 application that also performed highly in the technical evaluation and meets the Program Direction objectives.

Table 4. 28-30 Regional Flexible Fund Step 2 – Allocation Package Options 3

Project Name	Applicant	Requested Amount
NE 223rd Ave: NE Glisan to NE Marine Dr Safety Corridor Planning	Multnomah County	\$897,300
NE Glisan St: 82nd Avenue Multimodal Safety and Access	Portland	\$7,577,698
NW Division Street Complete Street: Gresham-Fairview Trail - Birdsdales Avenue	Gresham	\$4,067,495
NE MLK Jr Blvd Safety and Access to Transit	Portland	\$4,879,517

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Beaverton Creek Trail: Merlo Road Improvements	Washington County	\$6,640,700
Westside Trail Pedestrian and Bicycle Bridge Over Highway 26	Tualatin Hills Parks & Recreation District	\$6,000,000
Gladstone Historic Trolley Trail Bridge Construction	Gladstone	\$8,721,932
North Dakota Street (Fanno Creek) Bridge Replacement	Tigard	\$8,000,000
Railroad Avenue Multiuse Path: 37th Avenue to Linwood Avenue	Milwaukie	\$2,707,217
	Total	\$49,491,859

Since the development of the initial Step 2 allocation package options, the coordinating committees and the City of Portland have submitted their priorities Step 2 applications. The letters identifying coordinating committee and City of Portland priority Step 2 applications are provided in **Attachment 2.1**. The revised assessment results reflecting coordinating committee and Portland priorities are provided in **Attachment 2.2**. The following sections share the input provided as part of the presentations on the Step 2 allocation package options over the course of early June 2025.

TPAC

- No one option emerged as a preference where representatives from the coordinating committees and the City of Portland specified different package option preferences as well as what modifications would allow for an allocation package option to be okay with the coordinating committee.
 - Washington County: Preference for Option 2 or 3. Can get to a preference for Option 1 if an additional Washington County priority is included.
 - East Multnomah County: All options are preferable
 - Clackamas County: Preference for Option 1 and 3 with the addition of the C4 priority of Oregon City's Step 2 application
 - City of Portland: Preference for Option 1
- Desire to see further integration and holistic consideration of the Regional Flexible Funds allocation in the bond proposal and Step 2.
- General comment and questions were raised about the application of the public comment in the development of the Step 2 allocation package options.
- Questions were raised as to whether a Step 2 application in consideration for the staff recommendation can bring forward an overmatch to support advancing more priority Step 2 applications.
- Questions were raised regarding the increased Regional Flexible Fund revenue estimate to better understand how the increased overall revenue estimate of approximately \$8-\$11 million supports a \$7 million increase in the Step 2 allocation.
- Questions were raised about what would occur if a Step 2 allocation does not award the full \$49 million in Regional Flexible Funds.
- Questions were raised about the decision process and what would get presented to JPACT at the June 26th meeting.

Following the June 6th TPAC meeting, requested by agency staff, Metro staff presented the initial Step 2 allocation package options to the Washington County Coordinating Committee (WCCC) and the Clackamas County Coordinating Committee (C4) Metro subcommittee. Input received included the following:

WCCC

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- Preference for Option 3 as it places the greatest investment of Regional Flexible Funds in Washington County.
 - Ideally to support other regional partners, Option 3 with the addition of C4's priority to include the Oregon City application is the preferred option.
 - If ranking in order, the option preference among Washington County cities is Option 3, Option 2, and Option 1.
- Greater consideration of the public comment should shape the staff recommended Step 2 allocation package. If asking for the public to weight in and participate, then the public comment should shape the outcome. Ignoring the input from the public comment, by not incorporating it into the Step 2 allocation recommendation breaks public trust.
- Consideration of "last dollar in" should factor in the staff recommended allocation package.
- At some point a Regional Flexible Fund investment into the Boone Bridge is necessary.

C4 Metro Subcommittee

- While encouraging to see most Options 1 and 3 include two of the three C4 identified Step 2 priorities included in a package option, would want to see a Step 2 allocation package which reflects all three C4 identified priorities included.
- Among input received at TPAC, it appears as though Option 1 might be the starting point for the developing the staff recommended Step 2 allocation package.
- Further clarification on the updated revenue estimates for the Regional Flexible Fund and the possibilities for further additional revenues.
- Further clarity on how competitive the process remains at this stage.

Metro Council

Lastly, as an overall update on the 2028-30 Regional Flexible Fund Allocation process, Metro staff presented at Metro Council work session providing the opportunity to weigh in on the Step 2 allocation package options for consideration. The Council did not provide specific input on preference for an allocation package option or direction. Councilors expressed appreciation for the multiple input opportunities in shaping the Step 2 allocation package.