

Exhibit B to Resolution 25-5510

28-30 Regional Flexible Funds – Step 1A.1 Bond

Awardee Conditions of Approval

As part of the 2028-2030 Regional Flexible Funds – Step 1A.1 new project bond development process, Metro has been identified as a potential borrower for bond funds. Should Metro agree to be the borrower, the agency will include conditions on each commitment of project funding that address the circumstances and timing of issuing bonds. Conditions are needed to protect Metro from the liabilities of drawing forward revenues if situations at the federal level or project level change or for other extraordinary events. This is especially important due to the uncertain federal funding environment under the current administration and the need for large federal discretionary grants to deliver the proposed projects.

Project conditions may be set out as part of the legislative materials approving the Regional Flexible Fund bond proposal. However, these conditions do not imply a commitment to bonding. A final action on serving as a borrower for bonding Regional Flexible Funds will be at the sole discretion of the Metro Council. Metro may also delegate the borrower role to another agency willing to issue bonds consistent with this legislation. In such case, the board of that agency assumes the roles and responsibilities defined here for oversight of the bonding process. However, Metro may not delegate the Metro Council's role in approving projects as a part of the Metropolitan Planning Organization (MPO) Board decision making authority.

Legislative Overarching Bond Conditions

- Metro may choose not to pursue bonding of Regional Flexible Funds for any reason, including if the federal government decides to pause, eliminate, or significantly reduce federal transportation discretionary grant programs or formula funds.
- Metro may choose not to pursue bonding with Regional Flexible Funds should the necessary intergovernmental agreements not be in place to exchange federal Regional Flexible Funds for local dollars. A fund exchange or set of fund exchanges must encompass a schedule to support long-term debt service that equates to \$88.5 million in bond revenues to support the advancement of all five projects. Fund exchanging Regional Flexible Funds for local dollars is necessary to issue bonds that will generate \$88.5 million in bond proceeds to disburse to the five projects.
- Should Metro agree to serve as the borrower, executed intergovernmental agreements between Metro, the lead agency of the bond recipient projects and (if necessary) the project delivery agency shall be in place prior to Metro bonding Regional Flexible Funds and disbursing proceeds to the projects.
- Should Metro as the local borrower decide not to issue bonds, MPO staff would return to JPACT and the Metro Council as the MPO board for new direction regarding the use of regional flexible funds initially identified for bond purposes.
- Should all necessary fund exchange actions, bond arrangements and project agreements proceed, Metro would seek to advance a first issuance of bonds when one or more of the FTA Capital Investment Grant (CIG)-eligible projects is ready to develop a formal request for a construction grant agreement. If funding from other sources is contingent on the bond funds being committed, the project team will work with the bond agent to determine the necessary documentation to fulfill the stated requirement.

- At least one of the CIG projects must have submitted a formal request for a construction grant agreement by December 1, 2027, in order for bonding to proceed. If none of the CIG projects are ready to pursue a construction grant at that time, Metro staff will review the project schedules and work phases to be funded with Regional Flexible Fund bond proceeds for the Burnside Bridge and Sunrise Gateway Corridor projects and consider:
 - the viability of the package of five RFFA bond agreement projects still proceeding, and
 - the cash flow timing and needs from the RFFA bond agreement for the Burnside Bridge and Sunrise Corridor projects to proceed, and
 - options for alternative timing and methods of cash flow contributions to the five RFFA bond agreement projects that maximize purchasing power of RFFA funds while still supporting the agreed to contribution of RFFA funds to the bond package of projects.
- If all five projects remain viable within the timeframe of the federal fiscal year of 2028-30 RFFA funding, Metro will manage RFFA programming, bonding, and project cash flow consistent with the 2028-30 RFFA legislation and subsequent bond arrangements and project agreements.
- If a modification to the RFFA bond agreement package of five projects is needed because one or more projects is no longer viable within the FY2028-30 RFFA time frame, MPO staff, in consultation with TPAC, will return to JPACT and the Metro Council to seek new direction for the RFFA bond agreement.
- Should Metro take on the role of borrower, the Metro Council, as the board of the borrowing agency, would act as the oversight body for the Regional Flexible Fund bond, unless Metro has delegated the borrower agency to another agency. Metro staff will keep JPACT apprised of any issues that may arise.

General Conditions – Applicable to All Bond Projects

- Bond proceeds are awarded only for the delivery of the project in Exhibit A of Resolution 25-5510, unless otherwise amended by JPACT and the Metro Council in the capacity as the Metropolitan Planning Organization.
- The lead agency does not have the discretion to change the use of bond proceeds from the eligible expenses as defined in the Intergovernmental Agreement. The Intergovernmental Agreement between Metro and the lead agency will include change management procedures.
- The bond proceeds amount awarded to each project in the legislation approved by JPACT and Metro Council is the total amount of bond proceeds available to the project. The lead agency is expected to cover any cost overruns or unexpected costs to emerge. It is understood by the lead agency that Metro and the Regional Flexible Funds program does not have any further financial commitment or responsibility beyond providing the amount awarded.
- If a bond recipient project is determined to be unfeasible or is completed without expending all bond proceeds awarded, any remaining bond proceeds for that project shall be returned to Metro and any remaining bond program capacity shall revert back to the Regional Flexible Fund allocation process.

- An administration oversight protocol will be developed as part of the Intergovernmental Agreement to ensure the necessary milestones have been met prior to issuing and disbursing bond proceeds to the project.
- The lead agency of the bond project must execute an Intergovernmental Agreement with Metro prior to receiving or incurring bond proceed funded expenditures.
- As part of the Intergovernmental Agreement development and negotiation, the parties to the IGA, as the lead agency, will need to agree upon the following:
 - A scope of work with defined milestones, deliverables, cost per milestone/deliverable, and outcomes for defining success for the project.
 - A detailed schedule for the delivery of the project according to the scope of work.
 - An updated project cost estimate and budget that specifies the use of the Regional Flexible Funds bond proceeds. [Note: The cost estimate must include reasonable contingency based on current phase of project development.]
 - Identification of roles and responsibilities among the project partners, including Metro.
 - If necessary, Metro may require a supplemental agreement codifying the roles and responsibilities of project partners.
 - A financial plan that defines all match sources and the details of how Regional Flexible Fund bond proceeds will be used. .
 - A project funding contingency plan that outlines strategies for addressing cost overruns or funding shortfalls, as well as how the project moves forward even in the event of an impact to the financial plan.
 - Evidence of commitment of local matching funds, and all proposed project funds, to expend with the bond proceeds.
 - Terms for determining how bond proceeds to the project may be withdrawn or disbursed based on the project circumstances and terms and procedures regarding any excess funds.
- Bond issuance will only take place if projects are ready to spend bond proceeds based on an approved project financial plan and when funding from other sources is secured or committed. If funding from other sources is contingent on the bond funds being committed, the project team will work with the bond agent to determine the necessary documentation to fulfill the stated requirement.
- All bond recipients are required to deliver the project scopes as written and described in the 2028-2030 Regional Flexible Fund defined and agreed upon in the Intergovernmental Agreement.
- All bond recipients are required to expend the local matching funds identified as part of the financial plan in the Intergovernmental Agreements and consistent with the financial plan approach initially identified in the 2028-2030 Regional Flexible Fund new project bond application.
- All projects shall carry out public involvement processes that meet federal and state requirements, including Title VI of the Civil Rights Act of 1964 requirements. As appropriate, local data and knowledge shall be used to supplement analysis and inform public involvement.

Metro guidelines for public involvement can be found in Metro's [Public Engagement Guide](#) (April 2024), with guidance specific to transportation planning in Appendix D of the guide.¹

- Metro staff will participate in the administration of the bond revenues as well as project development and delivery activities. Metro's level of participation, role, and cost reimbursement will be defined as part of the development of the project Intergovernmental Agreements. These include and are not limited to:
 - Participation in project coordination meetings and reviews.
 - Participation in completing project initiation activities, including completing a project scoping document that includes the project's scope, schedule and budget with milestones and deliverables.
 - Bond revenue administration, oversight, and disbursement to projects.
- Bond recipients shall support the regional data repository of the transportation network maps by providing to Metro the relevant network data to be added or adjusted according to the project. Metro will provide guidelines on network data submissions upon request.
- If the bond project includes Intelligent Transportation Systems (ITS) elements in the project scope must be consistent with the Architecture Reference for Cooperative and Intelligent Transportation (ARC-IT; previously called the National ITS Architecture), included in Final Rule (23 CFR Section 940) and Regional ITS Architecture. This includes completing a systems engineering process during project development to be documented through the ITS systems engineering checklist (request form and submit to tsmo@oregonmetro.gov) for inventory purposes. For further guidance, consult ODOT's ITS compliance checklist
- All projects implementing Transportation System Management and Operations (TSMO) elements shall provide information to Metro on the TSMO elements, referencing specific connections to the 2021 TSMO Strategy found in Chapter 4, Performance Measures and/or Chapter 5, Actions, for program evaluation purposes. Specific connections shall be emailed to tsmo@oregonmetro.gov.
- All projects shall ensure compliance with applicable local, state and federal laws, regulations and policies pertaining to protection of archeological, cultural or historic resources, ancestral human remains, cultural areas or landscapes, and natural resources. This includes all pertinent and necessary compliance responsibilities with Section 106 of the National Historic Preservation Act required that come as a recipient of federal funding through the Regional Flexible Fund Allocation.
- The bond proceed recipients shall acknowledge Metro as a funding partner. Acknowledgement must attribute credit to Metro on all project materials (print or electronic), such as reports, newsletters, booklets, brochures, web pages, and social media posts. Attribution on materials must read "Made possible with support from Metro." If marketing is done with audio only, spoken attribution language must be "This project is made possible with support from Metro." The local jurisdiction/sponsor delivering the project will include the Metro logo on all print ads, banners, flyers, posters, signage, and videos. Bond recipient shall include the Metro logo on all marketing and advertising materials, both print and online (size permitting). Metro will provide

¹ <https://www.oregonmetro.gov/sites/default/files/2024/08/20/metro-public-engagement-guide-a11y-remediated-20240724.pdf>

partners with Metro logos and usage guidelines. The bond recipient shall extend invitations to Metro Councilors to attend events or engagements pertaining to the project.

Project Specific Conditions: Large Capital Transit Projects with Federal Transit Administration Capital Investment Grant Funds

82nd Avenue Transit Project

- Bond proceeds are only eligible for construction activities, unless otherwise requested and approved by Metro for other project delivery activities through the development of the eligible expenses in the Intergovernmental Agreement or through change management procedures.
- Bond proceeds will not be released until a financial plan identifying committed funds for the project has been approved by Metro.
 - The bond recipient shall specifically address the risks and mitigations to project funding as part of the finance plan and contingency plan.
 - Materials and timeline for providing the financial plan may be the same as those developed for the Federal Transit Administration CIG process.
- TriMet staff shall coordinate with Metro staff on specific project delivery and monitoring activities:
 - MTIP and STIP programming to a realistic project delivery schedule to meet funding obligation targets.
 - Quarterly Progress Reporting, providing written updates on project delivery, including coordination activities with ODOT Region 1 leadership and the terminus property owner, community engagement activities, and addressing questions raised by the Metro advisory committees.
- Should Metro serve as the borrower, TriMet must certify that the project has made mutually agreed upon progress toward the milestones required to access bonded funds before Metro issues and dispenses bond proceeds to the project. Metro and TriMet staff will identify the milestones and certification procedures during the development of Intergovernmental Agreements for bond funding.

Tualatin Valley Highway Transit Project

- Bond proceeds are only eligible for construction activities, unless otherwise requested and approved by Metro for other project delivery activities through the development of the eligible expenses in the Intergovernmental Agreement or through change management procedures.
- Bond proceeds will not be released until a financial plan identifying committed funds for the project has been approved by Metro.
 - The bond recipient shall specifically address the risks and mitigations to project funding as part of the finance plan and contingency plan.
 - Materials and timeline for providing the financial plan may be the same as those developed for the Federal Transit Administration CIG process.

- TriMet staff shall coordinate with Metro staff on specific project delivery and monitoring activities:
 - MTIP and STIP programming to a realistic project delivery schedule to meet funding obligation targets.
 - Quarterly Progress Reporting, providing written updates on project delivery, including right of way and coordination activities with ODOT Region 1, the Union Pacific Railroad, and the Portland Western Railroad, community engagement activities, and addressing questions raised by the Metro advisory committees.
- Should Metro serve as the borrower, TriMet must certify that the project has made mutually agreed upon progress toward the milestones required to access bonded funds before Metro issues and dispenses bond proceeds to the project. Metro and TriMet staff will identify the milestones and certification procedures during the development of Intergovernmental Agreements for bond funding.

Portland Streetcar Montgomery Park Extension

- Bond proceeds are only eligible for construction activities, unless otherwise requested and approved by Metro for other project delivery activities through the development of the eligible expenses in the Intergovernmental Agreement or through change management procedures.
- Bond proceeds will not be released until a financial plan identifying committed funds for the project has been approved by Metro.
 - The bond recipient shall specifically address the risks and mitigations to project funding as part of the finance plan and contingency plan.
 - Materials and timeline for providing the financial plan may be the same as those developed for the Federal Transit Administration CIG process.
- PBOT and TriMet staff shall coordinate with Metro staff on specific project delivery and monitoring activities:
 - MTIP and STIP programming to a realistic project delivery schedule to meet funding obligation targets.
 - Quarterly Progress Reporting, providing written updates on project delivery, including right of way and coordination activities with adjacent property owners, community engagement activities, and addressing questions raised by the Metro advisory committees.
- Should Metro serve as the borrower, PBOT and TriMet must certify that the project has made mutually agreed upon progress toward the milestones required to access bonded funds before Metro issues and dispenses bond proceeds to the project. Metro, TriMet and PBOT staff will identify the milestones and certification procedures during the development of Intergovernmental Agreements for bond funding.

Project Specific Conditions: Large Capital Transportation Project with Federal Funding

Earthquake Ready Burnside Bridge

- Bond proceeds are only eligible for construction activities, unless otherwise requested and approved by Metro for other project delivery activities through the development of the eligible expenses in the Intergovernmental Agreement or through change management procedures.
- Bond proceeds will not be released until a financial plan identifying committed funds has been approved by Metro.
 - The bond recipient shall specifically address the risks and mitigations to project funding as part of the finance plan and contingency plan.
- Multnomah County staff shall coordinate with Metro staff on specific project delivery and monitoring activities:
 - MTIP and STIP programming to a realistic project delivery schedule to meet funding obligation targets.
 - Quarterly Progress Reporting, providing written updates on project delivery, including the right of way negotiation and acquisition process, community engagement activities, and addressing questions raised by the Metro advisory committees.
- Should Metro serve as the borrower, Multnomah County must certify that the project has made mutually agreed upon progress toward the milestones required to access bonded funds before Metro issues and dispenses bond proceeds to the project. Metro and Multnomah County staff will identify the milestones and certification procedures during the development of Intergovernmental Agreements for bond funding.

Project Specific Conditions: Large Corridor Planning and Project Development

Sunrise Gateway Corridor

- As part of the negotiations on the intergovernmental agreement (IGA), Metro, ODOT, and Clackamas County will establish an agreement that defines the roles and responsibilities and the decision-making authority of each agency. Depending on what is most appropriate, this may be incorporated as part of the IGA or as a supplemental agreement.
- The IGA or a supplemental agreement must include a description of the participation in the planning and project development work of public transit service providers that serve the corridor.
- Should Metro serve as the borrower, Clackamas County must certify that the project has made mutually agreed upon progress toward the milestones required to access bonded funds before Metro issues and dispenses bond proceeds to the project. Metro and Clackamas County staff will identify the milestones and certification procedures during the development of Intergovernmental Agreements for bond funding.
- Clackamas County, ODOT, and Metro staff shall coordinate on specific project delivery and monitoring activities as defined in the IGA and/or supplemental agreement. They include, but are not limited to, the following activities listed below. Some of these activities will require active Metro participation.
 - Kick-off and regular project coordination/project team meetings

- Completing project initiation activities, including completing a project scoping document with a thorough scope, schedule and budget with milestones and deliverables.
 - MTIP and STIP programming to a realistic project delivery schedule to meet funding obligation targets.
 - Quarterly Progress Reporting, providing written updates on project delivery, including right of way and coordination activities with adjacent property owners, community engagement activities, and addressing questions raised by the Metro advisory committees.
- The bond proceeds are expected to compensate partner agency participation, including Metro staff, in project development activities.
 - Clackamas County in coordination with ODOT will demonstrate and document the efforts undertaken for securing funds to complete the Sunrise Gateway Corridor project, including the Local Connections and Safety Stage 1 element for the three-year period the updated or affirmed Record of Decision remains actionable. The financial plan will serve as a blueprint, but the activities and outcomes to secure funding will be documented and submitted to Metro on an annual basis.
 - Metro, Clackamas County, and ODOT will jointly conduct a review of the Sunrise Gateway Corridor Community Visioning Plan to identify any additional elements needed to complete a Regional Corridor Refinement Plan to meet regional, state, and federal transportation planning requirements. Those elements will be included as part of the scope of work negotiated as part of the IGA.
 - The IGA and/or any related agreements will further define the scope and anticipated schedule of the elements of these planning and project development activities. The final approved project shall be adopted in local area Transportation System Plans and the Regional Transportation Plan to meet transportation planning requirements.
 - The scope of work to be further defined in the IGA will seek to deliver the new transit-focused bond purpose of advancing first-last mile and safe access to transit as outlined in the 2028-30 Regional Flexible Fund Allocation Program Direction bond purpose and principles. As such, the program scope and budget will seek to maximize advancement of the design and project readiness of the Stage 1 Local Connections and Safety Project. To achieve this goal, the IGA will define, and project partners will subsequently manage, a level of design effort needed adequate to obtain an updated NEPA clearance for the entire Sunrise Gateway Corridor (Stages 1 - 4), but with an objective of preserving budget for more advanced design of the Stage 1 project elements of the Corridor.
 - The public engagement process for the Sunrise Gateway Corridor project shall include representatives from the Shadowbrook and Riverbend neighborhoods as well as nearby businesses.

- The Stage 1 Local Connections and Safety Project shall follow the design approach and decision-making process as defined in the [Designing Livable Streets and Trails Guide](#)² (Metro; 3rd edition; October 2019) or any updated versions in effect at the time a funding Intergovernmental Agreement is signed.
- The Stage 1 Local Connections and Safety Project shall consider the frequency of walking and biking crossings and meet Livable Streets guidelines where feasible for local access and connectivity as part of the Local Connections and Safety Stage 1 project.
- The Stage 1 Local Connections and Safety Project shall identify and document any known design exceptions needed to deliver the identified pedestrian, bicycling and transit access investments.
- All bicycle and pedestrian features included in the Stage 1 Local Connections and Safety Project plans shall propose wayfinding signage consistent with sign guidelines in in Metro's [Intertwine Regional Trails Signage Guidelines](#)³ (Metro; 2nd edition; December 2017) and/or the Manual on Uniform Traffic Control Devices.

² <https://www.oregonmetro.gov/tools-partners/guides-and-tools/guidelines-designing-livable-streets-and-trails>

³ <https://www.oregonmetro.gov/sites/default/files/2018/01/05/2017-Intertwine-Trail-sign-guidelines.pdf>
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