



## Portland light-rail plan ignores cost in favor of new riders

By Shelby Sebens March 15, 2013

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PORTLAND – The average American might have missed a move by federal lawmakers to pour millions of dollars into public transit projects, but among those with a stake in the issue, the reaction was palpable.

Supporters of public transit rejoiced as fiscal conservatives moaned.

Still, both parties could find themselves on the losing end as loosened rules for the Federal Transit Administration’s New Starts grant program play out in Portland — mecca of all things public transit and site of a planned mega project that includes a new Interstate 5 bridge from Portland to Vancouver and a 2.9-mile extension of light rail service.

The new federal rules — two years in the making and unveiled in January — place ridership ahead of cost.

No longer will it matter whether another form of public transit — say buses, which already traverse the bridge — take less time. What’s important, according to the new rules, is the number of new riders.

“They no longer really have to have even the semblance of being a cost-effective investment,” said Robert Poole, director of transportation policy for the Reason Foundation, a free-market policy research organization. “I just look at this and think what a foolish waste of money. People have all these dreams and imagination of what it’s going to do.”

The planned \$3 billion to \$5 billion Columbia River Project hinges on getting an \$850 million grant from the New Starts program — as well as additional federal discretionary funds and \$450 million each from Oregon and Washington state. Oregon already has approved spending its share. Local officials say they are confident they’ll get the federal grant funding if Washington comes through with its money.

“Sequestration should not affect the CRC’s ability to secure \$850 million in FTA funding, if the states move forward on the schedule that is before them. If we delay, there is more of a chance of being impacted,” CRC spokeswoman Mandy Putney said.

The new federal rules are part of the Obama Administration’s goal to strengthen public transportation and mark a reaction to the backlash from transportation planners and advocates over Bush administration rules.

“Now more than ever, Americans need quality transportation choices that improve mobility, enhance access to jobs and encourage sustainable communities,” U.S. Transportation Secretary Ray LaHood said in a January news release.

But even staunch proponents of public transportation in Portland don't see the CRC project converging with ideology, and they question the project's light-rail component.

"I think good transit connections are really important. Is this the best way to go about it is a different question," said Mara Gross, interim director for the Coalition for a Livable Future. The advocacy group, which unites more than 100 organizations in the Portland metro area, opposes the CRC, mostly focusing on concerns involving the environment and quality of life.

The CRC project stands to get a large chunk of a rapidly disappearing pie, and some say changes to grant program rules could mean a large amount of money going toward a flawed project. The Columbia River Crossing faces a slew of other problems, including a low design that some ships won't clear to a lack of a new revenue stream to pay for it.

Some say the new bridge would do little to ease congestion.

"It's not a real solution. We need a positive direction that's fiscally responsible, not a mega project that doesn't work," Gross said, adding the massive project builds a freeway that bisects the city. "It's going to worsen traffic gridlock in other parts of Portland. It doesn't solve the problem."

Yet CRC and elected officials remain confident it will pass federal funding tests.

"The FTA program could be cut by about 6 percent, and this cut will not affect funds for CRC if we proceed with our Full Funding Grant Application timeline," Putney said. "Our current place in line for FTA New Starts funds puts us next in line for funding. Other projects that have not advanced as far in the New Starts application process are more likely to be affected."

Randall O'Toole is a senior fellow at the libertarian Cato Institute who lives in Oregon. He and Poole published opposition papers about the new rules when first proposed.

"If you can calculate a cost per trip, that's your cost effectiveness," O'Toole said. "It doesn't matter if the cost effectiveness is a billion dollars."

Officials with FTA would not comment on pending grant applications.

About \$168 million has already been spent on the bridge project, and Oregon lawmakers who voted for it talked about compromise: It may not be the best project, they said, but it brings all sides together.

It's a real head-scratcher.

"I'm not sure what they mean by compromise," Gross said.

Eyes are now on Washington state, where lawmakers may not look on the project so favorably.

"We are very much about reforms before revenue," Washington state Sen. Ann Rivers, R- La Center, said.

Washington's political makeup differs from Oregon's Democrat majority. In Washington, a majority coalition caucus of 23 Republicans and two fiscally conservative Democrats controls the Senate. Rivers added, "They're saying ... no this doesn't pass the straight-face test."