

Portland Mall Citizens Advisory Committee

September 11, 2007

Meeting Notes

CAC Members Present:

Phil Kalberer, Chair, Kalberer Company
Monica Beemer, Sisters of the Road
Elaine Bothe, Bicycle Transportation Alliance
Charles Dorris, Hilton Portland & Executive Tower
Steve Fosler, Fosler Portland Architecture
Bill Halleran, Saks Fifth Avenue
Richard Harris, Central City Concern
Trond Ingvaldsen, The Standard
Jennifer Geske, Downtown Neighborhood Association
Chris Kopca, Downtown Development

Stan Lewis, Member at Large
Ann Niles, Pearl District Neighborhood Association
Dan Zalkow, Portland State University
Mark Zertanna, Member at Large

CAC Members Absent:

Jan Campbell, TriMet Committee on Accessible Transportation
Tom Carrollo, Beardsley Building Development
Nilesh Dayal, Steamers Asian Street Bistro
Kent Duffy, American Institute of Architects
Mike Kuykendall, Portland Business Alliance
Michael Levine, Member at Large
Rod Merrick, Merrick Architecture Planning
John Warner, Urban Forestry Commission
Howard Weiner, Cal Skate

Phil Kalberer (CAC Chair) welcomed members and reflected on the CAC's progress. This group's first meeting was in 2003, and the committee has been through several phases. During this new phase with construction underway, our focus includes retail/business development and finishing on time and on budget. Construction is almost 50% complete, with heavy civil work to be complete by late 2008.

Baseball caps featuring the I-205/Portland Mall Light Rail Project logo were distributed to members as a small memento of thanks.

Phil noted the new meeting space: the Portland Mall Information Center will be available for meetings, for information for the public, and for the Portland Mall Management Inc (PMMI) security staff.

Phil also noted the community's loss in the recent death of former CAC member, Debbie Murdoch. Debbie was a great advocate for PSU, the Mall and the City. See Patricia's email for information on her memorial and scholarship fund.

Phil asked for comments on notes from the last CAC meeting. The notes were approved.

Neil McFarlane (TriMet Executive Director of Capital Projects) provided a budget update.

The Full Funding Grant Agreement (FFGA) was signed in early July. We had a great ceremony at PSU with a perfect view of light rail construction in the background. The FFGA is good news because it means we have money in the bank – we had financed \$110 million, but can now access the \$80 million that had been appropriated to the project. A second \$80 million appropriation is currently with the House and Senate. The FFGA also triggered "invoices" to our local partners for their matching funds, and those transfers are now happening as planned.

The construction financing cost (cost to borrow money until the Federal funds are released) is a reimbursable expense. However, we prefer to use the grant funds to build improvements rather than pay interest.

Neil went on to review the Updated Budget document in members' packets.

- The first column – 2006 – should be familiar; that's the budget we've discussed previously, totaling \$206.8 million.
- The second column – budget transfers – represents a reduction in contingency to cover what we needed for the CMGC contract.
- The third column – September 2007 – represents the budget today.
- The fourth column – additional requirements – represents additional budget transfers we expect, or our best estimate of what we'll need to complete the project.
- The fifth column – final forecast – totals close to \$215 million, which is over our original budget. However, we have negotiated a "strategic reserve" which is an additional \$7,8 million contingency that is not committed to any budget item, and will allow us to get close to balance.

The project hasn't gotten any breaks on procurements. Escalation of construction materials is one of our biggest challenges. The increase in design costs also shows how complex the project is, and the fine level of architectural detail needed. We're also working two shifts, which requires additional inspection staff.

By mid-November we should be done with utility work, which represents some of the highest cost risk. Also, reaching the halfway mark in civil construction represents some reduced risk, since the contractor now has more experience working in the Mall environment.

We are still in final negotiations with the contractor, with a goal of reaching a fair price. For remaining items yet to be bid, we will require that everything comes in on budget.

The I-205 portion of the project is very well budgeted, with little to spare.

Steve Fosler (CAC Member) remarked on how well the project seems to be managed. Now that construction is underway, it's more complex than anticipated, and being this close to budget is remarkable.

Rob Barnard (TriMet Director of Mall Project Design/Construction) provided a construction update.

- Light rail construction is about 50% complete -- nine out of 18 civil construction work zones have been completed on the Mall.
- North Mall: all four work zones complete
- Central Mall: three out of six work zones complete, with fourth to be completed by mid-November
- South Mall: two out of eight work zones complete, with third to be complete by early October and the fourth zone by mid-November.
- Sewer construction is 95% complete.
- Water construction should be complete by mid-November.
- Brick restoration has been challenging because it is so labor intensive and there are so many construction projects competing for these specialized workers. A second brick subcontractor is now on board. The goal for 2007 is to have all brick complete in North Mall, plus all of 5th Ave in Central Mall and South Mall. We are working with PDOT to determine whether there are areas outside the retail core where brick work could continue during the holiday construction moratorium.
- By the end of 2007, rail will be complete on all of 5th Ave, up to the Steel Bridge, and in one 6th Ave work zone. That leaves six work zones (including one Streetcar crossing) plus the Steel Bridge tie-in to complete in 2008.
- The contractor is doing a good job sticking to the eight-week schedule for each light rail construction zone.
- Siemens, the systems contractor, is now on board; we're reviewing their submittals for OCS work.
- The rail crossings come from Kihn S.A, which is located in Rumelange Luxembourg (near Germany). They have arrived by boat and were released from customs yesterday.

Phil Kalberer (CAC Chair) remarked that his interactions with construction workers have been good – they have been friendly and helpful, leaving the public feeling good about the project.

Tad Savinar (Urban Design Consultant) noted another part of construction: tree removals. The center trees around Pioneer Courthouse were removed last week, and now you can see the historic building like never before. This block also will get the special black pavers to highlight the connection with the Square.

Bob Hastings (TriMet Agency Architect) provided an update on furnishings procurements.

Shelters, signage and other furnishings were pulled out of the CMGC contract so we could self-manage. These are items that everyone cares deeply about but are also very challenging to stay on budget.

Shelters

- Low bidder is LNI Manufacturing from Hawthorne, California.
- They really embraced our value enhancement concept.
- We asked for a \$3.8 million budget, and their bid came in slightly over \$4 million, but we worked through several value enhancement alternatives without sacrificing design. TriMet Board of Directors authorized the contract at slightly over \$4 million, but we are still working through value enhancement opportunities for reaching the budget goal.
- Notice to Proceed will be issued within the next few weeks, which will trigger final design. If any significant issues arise in final design, we'll bring to CAC.

Furnishings

- We're using a two-step bid process. Step one is based on qualifications. Step two is seeking a low bid from those who qualified.
- The apparent low bidder is Landscapeforms, which is a large, national firm.
- A challenge will be the combination of retrofitting old elements with new elements.
- We are seeking larger quantities in an effort to get a lower unit price. A large procurement of trashcans, etc. will allow us to use these materials on I-205 and in other locations.
- Like shelters, if any significant issues arise during final design, we'll ask for CAC input.
- The procurement authorization is expected at the October TriMet Board meeting.
- Installation would be in late 2008 or early 2009.

Signage

- The signage contract is also be a two-step bid process, with the qualifications currently out on the street.
- Like the furnishings, we'll seek larger quantities that can be used throughout the system in order to leverage a lower price.
- The new family of signage will be higher quality, more cost effective, less bulky and easier to maintain.
- The qualifications should come in this month, and the bids should come in October.

Chris Kopca (CAC Member) noted concerns about leaning rails becoming prone to people locking bikes on them, and asked how this would be prohibited.

Bob replied that while the leaning rails could be attractive to cyclists as a quick place to lock a bike. We are looking into ways to add information on them to prohibit bike parking. We're also working with PMMI on how to manage this. Depending on budget, we could look at quantities of straight versus curved rails, since the curved ones are less likely to be attractive for bike parking.

Elaine Bothe (CAC Member) suggested an "L" shaped design that is not a closed loop could discourage bike parking.

Phil Kalberer (CAC Chair) asked for an update on the new drop-off area at St. Mary's Academy.

Kay Dannen (TriMet Community Affairs Representative) replied that the drop-off area is working even better than imagined, and St Mary's is pleased. The concern about traffic backing up onto Market Street never materialized. To further delineate the drop-off area, a lane will be striped.

Doug Oblatz (SOJ Project Manager) commended St Mary's for funding the extra brick work in this area, which is a great enhancement to the project.

Rob Barnard (TriMet Director of Mall Project Design/Construction) commended the contractor for performing this work out of sequence from the original schedule in order to accommodate the school's schedule.

Phil Kalberer (CAC Chair) commended Kay Dannen for her coordination with St Mary's.

Ann Niles (CAC Member) provided a report on the merchant transit pass program committee, which had its first meeting today.

Participants included:

TriMet (DeeAnn Sandberg; Rhonda Danielson)

CAC (Ann Niles; Richard Harris; Kent Duffy)

Portland Business Alliance (Teal Davison)

Downtown Marketing Initiative (Chris Finks)

Lloyd District Transportation Management Association (Rick Williams)

Commissioner Adams' Office (Roland Chlapowski)

There are several reasons it's a good time to look at this idea: light rail coming to the Mall, efforts to revamp the parking validation program, discussions about changes to Fareless Square, and the City of Portland's resolution to reduce oil use.

The committee looked at the differences between a transit program and a parking program. With parking, the reimbursement occurs after the service is rendered. With transit, you have to pay up front – a transit ticket is then almost like cash. The group discussed three different scenarios for administering a transit pass program:

- Merchant issues credit toward purchase for customers with valid transit fare.
- Merchant stamps a card when purchase is made; a fully stamped card is redeemable for transit pass at TriMet Ticket Office (or other transit ticket outlets). Merchants would then reimburse TriMet for those tickets.
- Smart card technology? Too complex.

Richard Harris (CAC Member) commented that he was surprised to learn that we've had other transit pass programs in the past, but their demise has been in the difficulty administering them. There is a lot of knowledge within the committee. Rick Williams from the Lloyd District has extensive experience with these programs and Chris Finks from the Downtown Marketing Initiative brings experience from other cities.

Chris Kopca (CAC Member) asked if TriMet is considering smart card technology for transit fares.

Neil McFarlane (TriMet Executive Director of Capital Projects) replied that it has been considered, but it's a significant investment, particularly when the technology is changing so rapidly. It's also challenging in the downtown environment without a closed transit system – where do you "tag on" and "tag off."

Ann noted that the committee's next meeting will focus on who would administer a merchant transit pass program. The meeting is scheduled for Tuesday October 9, 10:30 a.m. at Portland Mall Information Center (519 SW 6th).

Jillian Detweiler (TriMet Land Development Planner) provided an overview of the South Terminus joint development proposal.

Jillian began by describing her role and TriMet's land development program. She usually becomes involved with a light rail project after construction is complete and there is surplus land near the alignment (e.g., construction staging area, remainders of larger parcels that were purchased for right-of-way, etc.). TriMet works to develop these properties to promote transit-oriented development, encourage ridership and make safer, livelier station areas.

This project has the advantage of being early in the process. The property under consideration is known as Block 158, bounded by 5th, 6th, College and Jackson – the turn-around for Mall light rail. There are several private properties and some PSU property on the block. As design progressed, we found that the turn is tighter than anticipated, resulting in very costly impacts to adjacent private properties. Acquisition costs could exceed \$1 million – very high costs for properties that are not maximizing site opportunities.

With the existing conditions, stations would be very constrained on narrow sidewalks, adjacent to blank walls. Redeveloping the block creates the opportunity to integrate the stations with new development.

TriMet is now exploring the possibility of acquiring four additional properties on this block which, when combined with PSU's property, would create a premier development site for transit-oriented development with housing, retail and PSU uses. This could create a distinct bookend for the Mall, and a jumping off point for light rail to Milwaukie.

By including housing, PSU could meet some of its need for student housing while also building transit ridership.

The process involves adding the joint development to the larger Mall project, which requires compliance with the National Environmental Policy Act (NEPA). We will conduct an environmental assessment to look at the residential displacements (small apartment buildings) and a house which is eligible for the National Historic Register. PSU is also working on a master plan with ZGF to identify future space needs for housing, classrooms, etc. A memorandum of understanding (MOU) would be developed between PSU and TriMet, and PDC also may be involved with some interim financing.

Phil Kalberer (CAC Chair) asked about vacating Jackson Street.

Jillian explained that Jackson has a hammerhead design and is being maintained only to serve one small parcel. Redevelopment might present other circulation alternatives.

Mark Zertanna (CAC Member) asked if the buildings and the land are owned separately.

Jillian confirmed that the land and improvements are under the same ownership, and would likely remain that way, although long-term lease of land or improvements is possible.

Jillian explained that after presenting the concept to the CAC and PMMI, discussions with the property owners will begin. She will report back to the CAC in about six months.

Ann Becklund (TriMet Community Affairs Director) clarified that the joint development project could delay the construction of the pair of stations at the south end of the Mall – they would not open in 2009 with the rest of the Mall, but later, when the joint development is complete.

Dan Zalkow (CAC Member) added that the timing is very important. If design begins immediately after an agreement is reached, construction could begin in 2009 with opening about a year later.

Chris Kopca (CAC Member) raised concerns about fairness to nearby property owners in the local improvement district (LID), who expect to have stations open here in 2009 when the assessment begins.

Tad Savinar (Urban Design Consultant) provided an update on the block-by-block (BBB) program, at the impromptu request of CAC members.

- Roseland Theater: windows are currently boarded up and they wanted to fill with concrete, but with BBB assistance they will have 80% storefront including windows to office space.
 - Cascade and Exchange buildings: owner has retained BBB architect and leased first floor to a Greek restaurant that will include outdoor café tables.
 - Unitus Building: stairs on both 5th Ave corners lead to nothing and they've had a hard time leasing space on this side, so we're working on studies for a new entrance.
 - Pendleton and 5th Avenue Building: five artists are working on concepts for the blank walls.
 - Old Town/Chinatown streetscape: working with ZGF and the neighborhood to develop right-of-way improvements for Davis between 4th and Broadway (lighting, landscaping, a reason to walk along the street). We'll look at similar ideas for Davis Street with the Pearl District.
 - St Mary's Academy dumpsters: currently located along Mall; looking at options for enclosing or moving to Market Street.
 - Old shelter: working with Caffe Viale, a coffee shop currently located in Congress Center lobby, very together business. Working on full study of what improvements would be needed to re-purpose shelter.
 - Old restroom entrances at Pioneer Courthouse: meeting next week with parties interested in redeveloping for newspaper/snack/Stumptown coffee stands.
 - PSU Master Plan: working on inventory of blank wall conditions and upcoming projects that would trigger "percent for art" requirements; looking for ways to combine all funding into one approach that unifies the University District identity.
 - Overall, we've talked with property owners on 40 different blocks, and only two did not want to participate.
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Phil Kalberer (CAC Chair) asked the neighborhood representatives for updates on the mood toward construction.

Jennifer Geske (CAC Member) reported that members of the Downtown Neighborhood Association (DNA) are generally positive about construction, although it would be nice to get more notification about street closures and effects on transit. DeeAnn Sandberg (TriMet Community Affairs Representative) is doing a great job keeping DNA informed.

Richard Harris (CAC Member) affirmed that Old Town/Chinatown appreciates Coral Egnew (TriMet Community Affairs Representative) keeping the neighborhood informed about construction.

Phil Kalberer (CAC Chair) reminded members of upcoming events:

- Tuesday October 9, 4-5:30 pm: CAC meeting (PMIC, 519 SW 6th)
 - Friday, October 26: Macy's grand re-opening
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Public Comment

Leon Chavarria-Aguilar (Citizen) commented on the value of maps and graphics for building transit ridership.

Ann Niles (CAC Member) suggested that larger system maps be posted inside MAX vehicles.

Chris Kopca (CAC Member) asked about plans for a downtown circulator vehicle and the possibility of Fareless Square ending.

Neil McFarlane (TriMet Executive Director of Capital Projects) replied that the downtown circulator train is still part of the operating plan, and Fareless Square is under review. Concerns have been raised about security issues, and we also need to consider whether this is the right place for subsidizing transit fares. There may be ways to fine tune Fareless Square, such as limiting it to specific hours or only to trains.

Doug Oblatz (SOJ Project Manager) added that PMMI will be exploring running the Vintage Trolley along the Mall on weekends.

Steve Fosler (CAC Member) asked for an update on the suggestion for smoke free zones along the Mall.

Doug Oblatz (SOJ Project Manager) replied that this concept is simmering along as part of larger questions about ongoing management of the Mall.