

# Regional Allocation of Federal Transportation Funds

A Comparative Analysis for the Metropolitan Council's  
Transportation Advisory Board

9/23/2013

MZ Strategies, LLC



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## BACKGROUND

As part of its Regional Solicitation Evaluation process,<sup>1</sup> the Metropolitan Council (Met Council) of the Minneapolis–St. Paul metropolitan area asked MZ Strategies, LLC to undertake a short research effort to identify processes and criteria used by peer Metropolitan Planning Organizations (MPOs) to allocate their federal Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ) Program, and Transportation Alternatives Program (TAP) funds. The Met Council’s Transportation Advisory Board<sup>2</sup>, responsible for managing the regional solicitation process and evaluation, identified six MPOs to research: Atlanta, Denver, Kansas City, Phoenix, Portland and Seattle.

In August 2013, MZ Strategies interviewed staff at each of these 6 MPOs and researched materials available online that further detail each region’s long-range transportation policies, solicitation process and criteria. Met Council staff and consultants worked with MZ Strategies to develop a set of questions asked of each region (See text box). The following report summarizes findings from this research, which was funded through a grant from the McKnight Foundation to the Transportation Funders Network to support work by MZ Strategies, LLC to further regional transportation innovation in the Twin Cities.

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<sup>1</sup> The Met Council has contracted with a team of consultants lead by SRF Consulting for the broader regional solicitation evaluation process. MZ Strategies, LLC is not part of that effort.

<sup>2</sup> Information on the Met Council’s Transportation Advisory Board including materials related to the Regional Solicitation Evaluation can be found at <http://www.metrocouncil.org/Transportation/Planning/Advisory-Board-Staff.aspx>

## OVERVIEW

In evaluating its regional solicitation process, the Met Council wanted to know how other regions manage this process, including the extent to which federal highway funds are blended, how preservation and maintenance needs (particularly for transit) are met, and what type of alignment exists between selection criteria and regional policies or goals. Among the six MPO regions the following trends were observed and are summarized in *Table 1: Regional Solicitation of Federal Transportation Funding Summary*:

- Half of the regions blend federal funds in the solicitation process, allowing for the MPO to determine the best match of federal funding based on project type, eligibility, budgets and other regional priorities. This also allows for some projects to receive multiple types of funding, e.g. a transit investment may use both CMAQ and STP funds since it meet eligibility for both programs. Kansas City does not typically allow for blending of funds, but has in the past blended CMAQ and STP. The Met Council does not currently use a blended fund approach.
- Five of the 6 regions have established set-asides, most frequently of STP funds, to meet specific policy objectives such as maintenance and preservation, non-motorized transportation, or to fund local priorities. The Seattle–Tacoma MPO splits its blended funding 50/50 between a regional solicitation and a countywide solicitation; in addition to a \$3 million set aside for Rural Town Centers and Corridors. Portland’s Metro maintains a set-aside for large regional projects such as light rail expansion. The Phoenix MPO, in contrast, uses formulas to assign funding to

different project types that represent a mix of modal investments within CMAQ, STP, and TAP, and recently approved a set-aside in TAP for non-infrastructure projects. The Met Council has a limited set aside in CMAQ for Transportation Management Organizations and travel demand activities.

- Five of the 6 MPOs allow for bundling of smaller projects to help them score better in the application process, and also to provide some cost efficiencies and expedite project delivery. However, among these regions all reported that it is important to bundle similar project types or focus on a specific geographic area to ensure that environmental review is not jeopardized and can be done in a coordinated fashion. In Atlanta's revised TAP solicitation, they encourage bundling bicycling/pedestrian projects to make investments in key corridors or centers such as sidewalk improvements at a transit station area. The Met Council has not encouraged project bundling.
- There is wide variation in how regions prioritize reconstruction, preservation and state of good repair. This reflects the differences in the age and quality of infrastructure, and in transportation funding. In Atlanta, for instance, severe transit operating shortages resulted in a \$20 million annual set aside of STP urban funds for transit facilities. In Seattle, state highway funding shortages resulted in a one-time \$25 million set aside for state of good repair specifically for highways. All regions use FTA formula funds (5307 urbanized formula grants and 5309 preventive maintenance grants) for on-going transit preservation needs. CMAQ and STP were also cited as frequent additional funding sources. Many

include state of good repair in evaluation criteria. The Met Council primarily funds transit preservation needs through FTA Formula Funds.

- All 6 MPOs felt that regional priorities are effectively reflected in their solicitation process with project sponsors asked to report on how project advanced goals of long-range transportation plans. Only Portland and Seattle though have explicit criteria directly connected to regional economic development and equity goals. Seattle has established an equity mapping tool pre-populated with data on housing, education, employment that project sponsors need to complete to show the relationship of the proposed project to these regional centers and policy priorities. The other regions report that they implicitly incorporate non-transportation factors through a committee process (Denver), evaluation of funding on a per-capita basis (Kansas City), and balancing representation across jurisdictions and including the Economic Development team in project selection decision making (Phoenix). The Met Council solicitation application requires project sponsors to indicate how the project advances regional goals, but does not have explicit criteria nor are certain regional goals prioritized.
- Four of the 6 MPOs have specific goals for balancing investments across modes and explicitly encouraging multi-modal projects. Denver has set percentage targets for each category. Seattle has a set-aside for non-motorized transportation and has flexed over 20% of its federal highway funds to transit. The Twin Cities primarily funds bike and pedestrian projects through TAP, transit and air quality related projects through CMAQ and

roadway projects including “A” Minor arterials through STP which is the largest funding category. This appears to be a less balanced approach than the other 6 regions studied.

- All 6 regions coordinate closely with their state DOTs and transit agencies. In Denver both review selected projects before final approval into the TIP. Kansas City has a particularly complicated system of coordination since the metropolitan area covers two states. Common areas of specific coordination include state of good repair and project readiness. The Met Council and MnDOT also coordinate closely, and the Twin Cities is unique in having the MPO and regional transit provider housed together through the Met Council.
- All 6 regions work to fund a balance of regional and local projects with federal transportation dollars. Seattle distinctly splits its bundled federal funds between regional projects and local projects; and also has a set aside for rural areas of the metro region. Portland uses a regional set aside to fund large scale regionally important projects. Denver and Kansas City use a committee process to ensure local priorities are met. Bundling smaller projects is another tool for supporting local projects. The TAB process does not seek to balance between regional and local, but rather focuses on individual projects and the limited TDM set-aside.

All of the regions interviewed are either in the process of evaluating and/or revising their own solicitation process, or in the case of Atlanta have just completed such a process. The changes in MAP-21 are triggering much of this, but there is also a desire by regions to find a more

streamlined and effective process for selecting projects that meet regional goals and priorities.

Finally, it is interesting to note that many of the regions have established a system for tracking and mapping information on projects funded in the TIP and through the regional solicitation process. The Puget Sound Regional Council implemented a project tracking program that requires project sponsors to meet adopted project tracking policies, which have improved the efficiency and accountability of funding. The Atlanta Regional Commission website hosts a searchable project database, “PLAN-IT” and interactive mapping to find information on projects selected for funding, and including in the Regional Transportation Plan and TIP.<sup>3</sup>

There is deep interest among these regions to learn more about what their peers are doing. Very little information is available nationally on the regional solicitation process. The Federal Highway Administration and Federal Transit Administration held one MPO peer review session on this topic related to long-range planning in 2007<sup>4</sup>, but have not issued best practices or other guidance documents. This is a topic worthy of further research by USDOT and the Transportation Research Board.

<sup>3</sup>

<http://www.atlantaregional.com/transportation/transportation-improvement-program>

<sup>4</sup> For a summary of the proceedings of this 1.5 day Peer Exchange on "Best Practices in Long-Range Project Prioritization" supported by the Transportation Planning Capacity Building (TPCB) Program, which is jointly sponsored by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), see [http://www.planning.dot.gov/Peer/Atlanta/atlanta\\_2007.asp](http://www.planning.dot.gov/Peer/Atlanta/atlanta_2007.asp).

Region	Blended CMAQ, STP, & TAP Funding	Does Region have Set-Asides? If so, what are they?	Project Bundling	Prioritization of Reconstruction or Preservation	Non-Transportation Criteria (Equity, Economic Development)	Balance of Modal Investments	Method for Coordination of State DOT and Transit for Funding Decisions	Regional vs. Local Investments
<b>Atlanta</b>	No - STP split: M230 urban to ARC and GDOT manages general STP	60% of urban STP set aside: \$20 million for Livable Centers Initiative + \$20 million for transit capital and preventive maintenance	Yes – though must be similar type of projects or in targeted geographic area	Set aside established in 2011 for transit state of good repair	Extra consideration given for Equity Target Areas focused on EJ and senior populations	Not explicit goal, but encouraged	Close coordination with GDOT throughout entire process.	Not explicit, but encourage cross-jurisdictional collaboration. LCI program invests primarily in local projects
<b>Denver</b>	Yes: CMAQ, STP and TAP	75% of funds go to top-scoring projects; 25% to policy or local priorities	Yes- Consideration for small communities	Each are separate project types with their own evaluation criteria	Through committee process- consideration of equity and economic development	Achieve through percentages	RTD and CDOT review selected projects before final approval	Committee selection process allows for local projects to be funded
<b>Kansas City</b>	Not typically, but have blended STP/CMAQ	Funds awarded separately for MO & KS	No, but small communities have greater number of voting members	Bus replacement funded through CMAQ; transit facilities with STP & CMAQ	Implicit only through evaluation of per-capital funding	Explicit goal in Transportation Plan	Two states both with voting members on programming and policy committees	Selection process incorporates measures to avoid favoring large projects
<b>Phoenix</b>	No	Specific formulas established for project types; \$400,000 TAP set aside for non-infrastructure	Yes, bundling through development of RTP	Not explicitly, but rather through formula	Economic development team advises jurisdictions to apply	Done through formulas with emphasis on congestion management	Casa Grande Accords- MPOs and COGs created formulas for regional allocation percentages	STP funds designated to regional freeway and local arterial
<b>Portland</b>	Yes – all funds	Set asides done for major regional projects, i.e., LRT	Yes- higher minimum costs, criteria and objectives focus on regional concerns with local control	Priority corridors identified for funding set asides; FTA Funds used for bus replacement	RTP policy specifies funding for regional economic opportunity fund targeting job creation	MPO gives targets to local communities, transit agency proposes mix of projects	State representation & transit agency representation on MPO	Federal funds may be swapped with local funds to facilitate smaller, local projects
<b>Seattle</b>	Yes: STP and CMAQ	10% set aside for non-motorized + \$3 million for Rural Town Centers & Corridors	Yes, but infrequent and not encouraged	Emphasized in evaluation criteria. In 2013 a one-time 255 set aside for SOGR for roads	Yes – economic development a criteria; equity mapping tool	22% of federal hwy funds flexed to transit; emphasis on multi-modal	Coordinating closely on preservation and SOGR	Funds split 50/50 btwn regional & countywide solicitation process

**Table 1: Regional Solicitation of Federal Transportation Funding Summary**

## ATLANTA, GEORGIA

**MPO:** Atlanta Regional Commission (ARC)

### FUND ALLOCATION

The Atlanta Regional Commission (ARC) has substantially revised its regional solicitation process in response to numerous cost-over run, project delay and funding challenges, and a general dissatisfaction with the outcomes of past funding decisions. CMAQ sub-allocation is not required to MPOs under state law. Georgia DOT plays a major role in shaping funding availability and the process, with CMAQ funds distributed to the MPO for allocation at their discretion. ARC and GDOT then work together throughout the solicitation process to determine funding priorities and to evaluate projects.

The new process, used for CMAQ and TAP funds in 2013, takes an innovative approach with sponsors submitting to ARC a Letter of Intent (LOI) with basic project information including how the project aligns with regional goals and principles. A short list of projects is next identified to be developed collaboratively with ARC staff into detailed applications. The goal is to ensure selected projects can move quickly through NEPA approval and into construction.

A distinct annual solicitation process is used for ARC's Livable Centers Initiative which is funded through a set-aside of STP urban funds and emphasizes land use elements both in planning and capital projects. TAP and CMAQ solicitations are run separately by ARC but are similar in process.

See Appendix B for a graphic used by ARC to articulate the distinct objectives of each FHWA funding programs. ARC is not planning a general M230 urban STP solicitation for 2013 given an already clogged pipeline of projects selected in

past solicitations. GDOT has their own processes for making funding decisions for the remainder of the STP pot.

### EQUITY AND ALIGNMENT WITH REGIONAL GOALS

ARC aligns investments with regional development policies that were adopted in its 2011 "Plan 2040" including a much stronger emphasis on the integration of land use and transportation. The revised solicitation process seeks to align funding with this new emphasis and a stronger focus on funding projects in existing urbanized areas, transit centers, and along priority networks including freight and rail corridors and the NHS system. Cross-jurisdictional collaboration, multi-modalism and consistency with long-range Transportation Policy Goals are encouraged.

The region has also established Equitable Target Areas (ETAs), which identify geographic areas with significant environmental justice or senior populations. Projects serving ETAs receive extra consideration. Project readiness and past performance delivering projects on-time and on-budget are strongly valued in the selection process. *The new solicitation process, however, does not use a point rating system.*

### BLENDING FUNDS AND BALANCING PROJECTS

Of the roughly \$70 million in urban STP funds sub-allocated to ARC, \$20 million is set aside for the Livable Centers Initiative and \$20 million for transit capital and preventative maintenance. ARC allows bundling of smaller projects, learning from past experience where delays were encountered during environmental review of projects that were too dissimilar or spread across different geographic areas. Bundled projects now need to be of a similar type or concentrated in a specific

geography. The TAP solicitation encourages the bundling of comprehensive upgrades to serve regional jobs centers or transit station areas, ie build out sidewalk network within ½ mile radius of station.

The region is working to encourage more transit and non-motorized projects but values highway projects for federal FHWA funding. Georgia adopted a Complete Streets Policy in 2011, with a goal that more highway projects include multimodal design elements. The state gas tax is limited to roads and bridges limiting options for GDOT to fund multi-modal or bicycling/pedestrian projects. Given the changes in MAP-21 to bridge funding, ARC and GDOT did a one-time realignment of the TIP and STIP to deal with bridges and highway state of good repair. Bridge projects on the state system were converted to M240 STP Statewide or NHPP funds. Bridges which were off-system were absorbed into the M230 STP Urban category.

## PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES

In 2011 with the adoption of its new transportation plan, ARC established a \$20 million set aside from the region's urban STP funds specifically for bus replacement and maintenance needs of transit facilities. This was done in response to serious transit operating cost issues facing the region.

**INTERVIEWED:** David Haynes, Marshall Willis, Byron Rushing, and Amy Goodwin, Atlanta Regional Commission

### LINKS:

#### Livable Centers Initiative

<http://www.atlantaregional.com/land-use/livable-centers-initiative>

#### CMAQ & TAP Call for Projects

<http://www.atlantaregional.com/transportation/overview>

#### Plan 2040 Framework Document

[http://documents.atlantaregional.com/plan2040/docs/lu\\_plan2040\\_framework\\_0711.pdf](http://documents.atlantaregional.com/plan2040/docs/lu_plan2040_framework_0711.pdf)

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## DENVER, COLORADO

**MPO:** Denver Regional Council of Governments

### FUND ALLOCATION

The Denver Regional Council of Governments (DRCOG) allocates CMAQ, STP, and TAP transportation funds using a dual-step process. Projects are scored using a point system, and Phase 1 of the funding process awards 75% of the funds to the top-scoring projects. The scoring

criteria are designed to balance project types such as highway, bicycling and pedestrian, and other categories such as local buses. The remaining 25% of funds are awarded through a committee process. The committee considers point score as well as equity, small communities, greenhouse gas emission reduction, multi-modalism, and projects that are considered to have specific regional benefits. Committee selection can also be based on political considerations. The application point system evaluates how each proposed project supports Denver's regional vision.

## EQUITY AND ALIGNMENT WITH REGIONAL GOALS

The region's committee process facilitates the incorporation of non-transportation and non-traditional transportation factors by allowing consideration of projects using criteria such as equity and small communities. DRCOG staff report that the MPO does a reasonable job funding projects strongly aligned with regional goals because of the strength of the evaluation criteria. However, the evaluation criteria are not directly aligned with RTP goals.

## BLENDING FUNDS AND BALANCING PROJECTS

DRCOG blends CMAQ, STP, and TAP funds, and awards funding based on scoring systems for each project type. Projects are balanced by modal investments through Phase 1 of the selection process, which specifies overall TIP allocation of transit, roadways, and bike/ped projects. Small communities receive special consideration with a lower minimum point score, and are also evaluated through the committee selection process. State and transit agencies are an integral part of funding decisions. Once project scores are calculated, Colorado Department of Transportation (CDOT) and the Regional

Transportation District (RTD) review applications. Some projects need CDOT approval based on location. In addition, bus projects must be approved by RTD. TIP Policy outlines set asides including TDM, ITS, signals, and station/urban center master plans.

## PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES

Capacity expansion, reconstruction, preservation, and all transit projects are funded and prioritized as separate project types with individual scoring criteria. Bus replacement is funded through RTD. Section K Policy #1 of the RTP provides system preservation policy and action strategies for preserving existing systems. The Denver region will soon be initiating a new TIP process and evaluating the use of new funding strategies.

**INTERVIEWED:** Todd Cottrell, DRCOG

### LINKS:

#### TIP Policy Document Including Scoring Tables

<http://www.drcog.org/documents/2012-2017%20TIP%20-%20AdoptedMarch11.pdf>

#### Regional Transportation Plan

<http://www.drcog.org/documents/FINAL-2035%20MVRTP-2010%20Update%20with%20App%202-9.p>

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## KANSAS CITY, KANSAS AND MISSOURI

**MPO:** Mid-America Regional Council (MARC)

### FUND ALLOCATION

For MARC, the CMAQ, STP, and TE funds are allocated separately using similar processes. CMAQ funds are allocated through a competitive

application process guided by the MARC CMAQ Committee. Applications are solicited for the categories of alternative fuels, bicycle/pedestrian, public transportation, traffic flow, outreach and other, and diesel retrofit. Projects are evaluated based on air quality, alignment with regional goals, return on investment, and VMT reduction.

STP funds are allocated for bridges, bicycle/pedestrian projects, public

transportation, roadway capacity, operations, management and safety. Projects are scored and ranked based on alignment with regional goals, multimodal considerations, performance, safety, environment, economic development. STP funds are awarded separately for Kansas and Missouri. MARC solicits projects from both states. Applications are scored and then submitted to each state and prioritized for funding. The score and rank, along with other factors including MARC committee discretion are used to select projects for recommendation to the Total Transportation Policy Committee and incorporated into the TIP.

MARC still refers to Transportation Enhancement funds (now TAP) in its solicitation and these are allocated for bicycle and pedestrian projects, historic preservation, highway scenic or historic projects, environmental or beautification projects. A similar two-state process is used by MARC and is detailed in Appendix C.

## **EQUITY AND ALIGNMENT WITH REGIONAL GOALS**

Non-transportation and non-traditional transportation factors such as equity and economic development are not explicitly considered in evaluation criteria, but funding per capita over time is considered for project selection. MPO staff report that the MARC programming process does a reasonable job of funding projects aligned with regional goals because the programming process utilizes defensible selection criteria based on the policy goals of the metropolitan transportation plan.

## **BLENDING FUNDS AND BALANCING PROJECTS**

The Kansas City region typically does not co-mingle CMAQ, STP, and TE funds, however there are a few isolated cases where such blending occurred. Projects are not separately evaluated by size. The MPO attempts to balance larger regional and smaller local projects by designing evaluation criteria to avoid favoring larger projects. The selection process also attempts to avoid favoring larger projects through voting representation. While larger projects tend to score higher because they serve a bigger population, they can be voted down by the large number of representatives from smaller regional jurisdictions.

MARC balances funding between roadways, transit, and bicycle/pedestrian projects through explicit goals in the transportation plan. State and transit agencies are involved in the process as voting members of programming and policy committees.

## **PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES**

TE funds are programmed for historic preservation and historically significant projects. The Kansas City funds bus replacement through CMAQ funding. Preservation needs of transit facilities are funded through CMAQ and STP.

**INTERVIEWED:** Ron Achelpohl, MARC Assistant Director of Transportation

### **LINKS:**

#### **Long Range Transportation Plan**

<http://www.marc.org/transportation/lrtp.htm>

#### **Transportation Investment Program**

<http://www.marc.org/transportation/tip/2012-2016/TIP2012-2016.pdf>

## **PHOENIX, ARIZONA**

**MPO:** Maricopa Association of Governments (MAG)

## FUND ALLOCATION

The Phoenix region distributes CMAQ, STP, and TAP funds based on formulas. CMAQ funds are divided into specific percentages for intelligent transportation, arterial lifecycle, paving of unpaved dirt roads, air quality, street sweepers, van pools, regional freeways, bus, light rail, bicycling and pedestrian, and air quality. STP funds are designated to regional freeway and arterial lifecycle. Finally, TAP funds are allocated between short-term Safe Routes to School and Transportation Enhancements and a newly developed long-term methodology that includes a set aside of \$400,000 to non-infrastructure with the balance for infrastructure projects.

The MPO aligns the investments with regional development policies using guidance from the Long Range Transportation Plan (LRTP), and investments are tied to a regional 0.5% sales tax. Project evaluation and selection criteria are built into the funding application through a Congestion Management Process (CMP) tool and the committee review process.

## EQUITY AND ALIGNMENT WITH REGIONAL GOALS

The region incorporates non-transportation and non-traditional transportation factors into their processes through balanced geographical selection of representatives. Representatives are chosen from each jurisdiction to reflect the diversity of the region. Furthermore, an economic development team encourages jurisdictions in need to apply for project funding. MAG staff report that the MPO successfully identifies projects best aligned with regional goals due to the effectiveness of the CMP tool. The CMP tool

evaluates the merits of projects based on regional goals and objectives.

## BLENDING FUNDS AND BALANCING PROJECTS

CMAQ, STP, and TAP funds are typically not blended. A balance of small and large projects, regional and local projects, and roadway, transit, and bicycle/pedestrian projects is achieved through the RTP. The RTP specifies allocation percentages for CMAQ, STP, and TAP toward roadways, transit, and bike/ped. Along with federal support, the regional 0.5% sales tax funds the RTP. MAG coordinates with state and transit agencies through percentage allocation by planning region.

## PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES

Capacity expansion, reconstruction, and preservation are handled by assigned agencies and based on formulas. Bus replacement funding is based on formula and through the Transit Life Cycle Program that includes ½ cent sales tax funding, and facilities are funded through 5337, 5339, 5309, TIGER grants, and local agencies.

**INTERVIEWED:** Teri Kennedy, MAG

## LINKS

### Performance Measurement Framework and Congestion Management Study

[http://www.azmag.gov/Documents/TRANS\\_2010-11-02\\_MAG-CMP-Final-Baseline-Report.pdf](http://www.azmag.gov/Documents/TRANS_2010-11-02_MAG-CMP-Final-Baseline-Report.pdf)

### Maricopa Association of Governments Regional Transportation Plan

<http://www.azmag.gov/Projects/Project.asp?CMSID2=1126&MID=Transportation>

## PORTLAND, OREGON

**MPO:** Portland Metro Council (Metro)

### FUND ALLOCATION

The Portland Metro Council (Metro) wraps CMAQ, STP, and TAP federal transportation funds into an overall Metropolitan Transportation Improvement Program (MTIP) process that it refers to as *Regional Flexible Funding*. The Portland MTIP process is guided by the MTIP policy document, which provides processes for allocation of CMAQ, STP, and TAP funds. The MTIP application process uses targeted questions to identify projects in the areas of region-wide projects, community investments including complete streets, active transportation, freight and economic development, and regional economic opportunity programs. CMAQ, STP, and TAP funds are blended. After project selection, the MPO selects funding sources.

### EQUITY AND ALIGNMENT WITH REGIONAL GOALS

Metro aligns the investments with regional development policies using guidance from the Long Range Transportation Plan (LRTP). The LRTP provides a financial and performance-objective based framework. The MPO incorporates non-transportation and non-traditional transportation funding into their processes through application questions. Metro provides policy guidance aimed at reaching regional goals while balancing local and regional interests. METRO staff report that the region effectively identifies projects aligned with regional goals. They do this by providing policy guidance in the Regional Flexible Funds Allocation Policy Report that balances local and regional interests, and by encouraging applications for projects reflecting regional interests.

## BLENDING FUNDS AND BALANCING PROJECTS

Metro encourages bundling of projects using higher minimum funding limits, with a goal of programming larger projects and maximizing impact and efficiency. The MPO exercises regional planning influence by working with local partners to set aside local funds for incremental construction of larger projects. For example, the region dedicated \$16M of STP and CMAQ funds through 2027 for light rail and commuter rail, and the MPO worked with local jurisdictions served by the project to make a contribution.

Metro balances funds between roads, transit, and bicycle/pedestrian projects using the LRTP and selection criteria. Transit agencies propose a mix or project types. Project selection decisions are coordinated through state and transit agency representation on MPO, as well as sub-regional coordinating committees. Additionally, the funding application solicits details about how local agencies coordinate with other agencies. METRO also utilizes fund exchanges, trading federal for local dollars to facilitate smaller projects with greater efficiency.

### PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES

The Portland region prioritizes expansion projects and reconstruction or preservation projects by establishing priority corridors and setting aside funding. Bus replacement and transit facilities are funded through FTA and the transit agency.

**INTERVIEWED:** Ted Leybold, Metro

### LINKS:

**Regional Flexible Funds Allocation Policy Report**

[http://www.oregonmetro.gov  
library.oregonmetro.gov/files/2016-  
18\\_rffa\\_policy\\_report.pdf](http://www.oregonmetro.gov/library.oregonmetro.gov/files/2016-18_rffa_policy_report.pdf)

## **Metro Regional Flexible Funding Program Information**

[http://www.oregonmetro.gov/index.cfm/go/by.w  
eb/id=19681](http://www.oregonmetro.gov/index.cfm/go/by.web/id=19681)

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## **SEATTLE-TACOMA, WASHINGTON**

**MPO:** Puget Sound Regional Council (PSRC)

### **FUND ALLOCATION**

The first step in the PSRC solicitation process is to establish a Policy Framework that guides selection process and criteria. The Policy Framework is established through an extensive process for each project selection process (usually occurring every 2 years), involving opportunities for stakeholder input and alignment with new or updated federal or state requirements and regional policy direction. The region uses a process established in 1995 which combines federal STP and CMAQ funds and then splits them equally between a regional allocation process to fund regionally significant projects and a countywide allocation process to fund locally significant projects. Coordination with local and state transportation and transit agencies occurs throughout the process for both, and PSRC has the responsibility as the MPO for final project selection of all projects included in the TIP.

Since 1993, 10% of the combined estimated totals of STP and CMAQ are set aside for non-motorized priorities and distributed by the countywide process. In addition, \$3.0 million of STP funds are set aside for the Rural Town Centers and Corridors Program funded and managed by PSRC. TAP funds are allocated through a separate solicitation with criteria that also build upon regional planning principles and goals.

## **EQUITY AND ALIGNMENT WITH REGIONAL GOALS**

The current Policy Framework maintains a strong focus on “development of centers and corridors that serve them,” and upon “creating a transportation system for all users” which comes directly from the policy directives established in the region’s long-range growth plan, VISION 2040; the adopted Regional Economic Strategy and Transportation 2040 the regional long-range metropolitan transportation plan. Centers are defined as regional growth and regional manufacturing/industrial centers identified in regional plans with additional centers designated through countywide processes, town centers and other locally identified centers.

Both countywide and regional solicitations review projects based upon their consistency with VISION 2040, Transportation 2040 and local comprehensive plans, safety improvements, and for air quality conformity and greenhouse gas emissions impact. Availability of funding and project readiness also factor into the review; and projects must meet federal eligibility requirements specific for the funding source (STP, CMAQ). The countywide process follows regional guiding principles. The region is refining its process so that project sponsors use a GIS tool to identify employment, healthcare and educational opportunity centers that would be connected through proposed projects. This new tool builds upon Opportunity Mapping and Fair

Housing Equity Assessment work recently completed by the region.

### **BLENDING FUNDS AND BALANCING PROJECTS**

Given the strong emphasis on consistency with the VISION 2040, the solicitation process includes a balance among modal investments with a slight priority for transit and non-motorized projects and a focus on all investments to serve regional centers and corridors. STP and CMAQ funds are blended in the solicitation. Roughly 22% of federal highway funds have been flexed to transit in the region. Project sponsors do not indicate which source of funding they are seeking, but if eligible for CMAQ funds they must demonstrate an emission reduction benefit. The region inherently places an emphasis on multi-modal and complete street projects given that both are policies in Transportation 2040 and scored highly in the review process so that it is unusual to select a highway only project.

### **PRESERVATION, BUS REPLACEMENT, AND TRANSIT FACILITIES**

The current solicitation includes a new provision for funding preservation priorities. PSRC has set aside 25% of the total amount of STP funds distributed through the countywide process for

preservation projects in response to changes in MAP-21, regional needs and state funding shortfall. The allocation process includes a set of detailed principles to guide selection, with an emphasis on roadway preservation. FTA funds are distributed through a similar process to transit agencies within the three main counties responded to the numerous providers that exist in the region with formulas established for allocation that draw from data reported in the National Transit Database on ridership and system characteristics.

**INTERVIEWED:** Robin Mayhew and Kelly McGourty of PSRC

### **LINKS:**

#### **Regional Solicitation Prioritization Framework Documents**

<http://www.psrc.org/transportation/prioritization/>

#### **2013 Regional Transportation Alternatives Program Solicitation Criteria**

<http://www.psrc.org/assets/9835/TAP-Selection-Criteria-2013-FINAL.pdf>

#### **2012 Policy Framework for PSRC's Federal Funds:**

[http://www.psrc.org/assets/7963/Section\\_3\\_-\\_2012\\_Policy\\_Framework\\_rev.\\_052512.pdf](http://www.psrc.org/assets/7963/Section_3_-_2012_Policy_Framework_rev._052512.pdf)

## APPENDIX A.

### Interview Questions

The following questions were asked during the MPO interviews:

#### **Process**

- What process does your region use to allocate federal transportation funds, specifically CMAQ, STP and TAP?
- How do you align these investments with regional development policies?
- How does your MPO incorporate non-transportation, or non-traditional transportation factors in their processes, such as economic development or equity?
- Do you feel that you effectively identify projects best aligned with regional goals?

#### **Treatment of funds**

- Does your MPO consider CMAQ, STP and TAP funds separately?
- Have you blended funding on certain projects such as multi-modal projects, and/or have you established some type of separate discretionary grant program?
- Do you allow for the bundling of small projects and/or how do you balance large regional projects with smaller local projects?

#### **System balance**

- Does your MPO try to balance funding between roadways, transit and bike/pedestrian projects? If so, how?
- How do you coordinate with state and transit agency on these decisions?

#### **Preservation**

- How does your region fund or prioritize capacity expansion projects versus reconstruction or preservation projects for roadways, bridges, transit and bike/pedestrian projects?
- How does your region fund bus replacement and transit facilities?

APPENDIX B.

Atlanta Region Commission Helps Clarify Funding Use

WHICH PROGRAM IS THE BEST FIT FOR MY PROJECT?			
Program	STP URBAN	CMAQ	TAP
Goals & Principles	<ul style="list-style-type: none"> <li>- Improve and preserve the safety, quality, and movement along corridors classified above local collector<sup>[1]</sup></li> <li>- Expand transportation options for pedestrians, bicyclists, and transit riders</li> </ul>	<ul style="list-style-type: none"> <li>- Invest in projects that provide significant reductions in emissions and congestion for the broadest area possible</li> <li>- Strategically implement projects with measurable emissions and/or congestion benefit immediately upon completion</li> </ul>	<ul style="list-style-type: none"> <li>- Optimize and expand transportation options by investing in the safety, accessibility and mobility of bicyclists, pedestrians and transit riders<sup>[1]</sup></li> <li>- Focus on projects of regional significance<sup>[1]</sup></li> </ul>
Emphasis Areas	<p><b>Last Mile Connectivity</b> – Localized pedestrian and bicyclist safety, access and mobility with emphasis on correcting “hot spot” issues near transit &amp; schools</p> <p><b>Roadway Safety</b><sup>[2]</sup> – Address multimodal safety issues along key roadways, with emphasis on thoroughfares</p> <p><b>Freight Safety</b><sup>[2]</sup> – Address multimodal safety issues along truck routes</p> <p><b>Livable Centers Initiative</b> – Projects within designated LCI areas that are defined in LCI plan, linking transportation and land use to create sustainable, livable communities</p> <p><b>Transit Capital and Preventative Maintenance</b><sup>[2]</sup> – Transit infrastructure projects to maintain state of good repair and/or improve overall patron experience</p>	<p><b>Travel Demand Management</b><sup>[2]</sup> – Physical assets and services that provide real-time information network performance and support better decision-making for travelers</p> <p><b>Clean Vehicle &amp; Technology Programs</b> – Purchase alternative fuel vehicles or convert fleets to run on alternative fuels</p> <p><b>Transit Service Start-up Operation</b><sup>[2]</sup> – Transit facilities, operation assistance (3 year max), or vehicles (bus, rail, or van) associated with new mass transit service that expands current system</p> <p><b>Roadway ITS/Ops/Incident Management</b><sup>[2]</sup> – Signal synchronization, traffic management, and traveler information systems, with emphasis on thoroughfare and truck routes</p> <p><b>Managed Lanes</b><sup>[2]</sup> – Tolling infrastructure such as transponders, roadway modifications to enable tolling, marketing, public outreach, and support services</p>	<p><b>Regional Trail Networks</b> – Shared-use paths that enhance mobility &amp; access in the region</p> <p><b>Safe Routes to Schools</b> – Enhancing safe &amp; convenient access to elementary and middle schools; can be projects that complement education, outreach, and planning efforts to enhance safe access to schools</p> <p><b>Transit &amp; Station Area Access</b><sup>[2]</sup> – Increase the safe and convenient access to regional transit systems, including rail, bus (local or express), and the first-mile and last-mile connectivity to the regional transit network</p> <p><b>Comprehensive Activity Center Strategy</b><sup>[2]</sup> – Substantial safety and accessibility improvements to a geographically-focused activity center or high-demand destination</p> <p><b>Other</b> – Any other federally-eligible TA project types as defined by FHWA that significantly and comprehensively enhance safety, accessibility, and mobility for bicyclists, pedestrians, and transit riders</p>
Scale <sup>[2]</sup>	\$1,000,000 - \$5,000,000	\$1,000,000 - \$5,000,000	\$1,000,000 - \$7,500,000
Est. Funding	\$70,000,000 per Year	\$29,000,000 per Year	\$7,500,000 per Year
Key Dates	(TBD)	LOI due 10/2013; Projects added to TIP 12/2013	LOI 6/2013; Projects added to TIP 9/2013

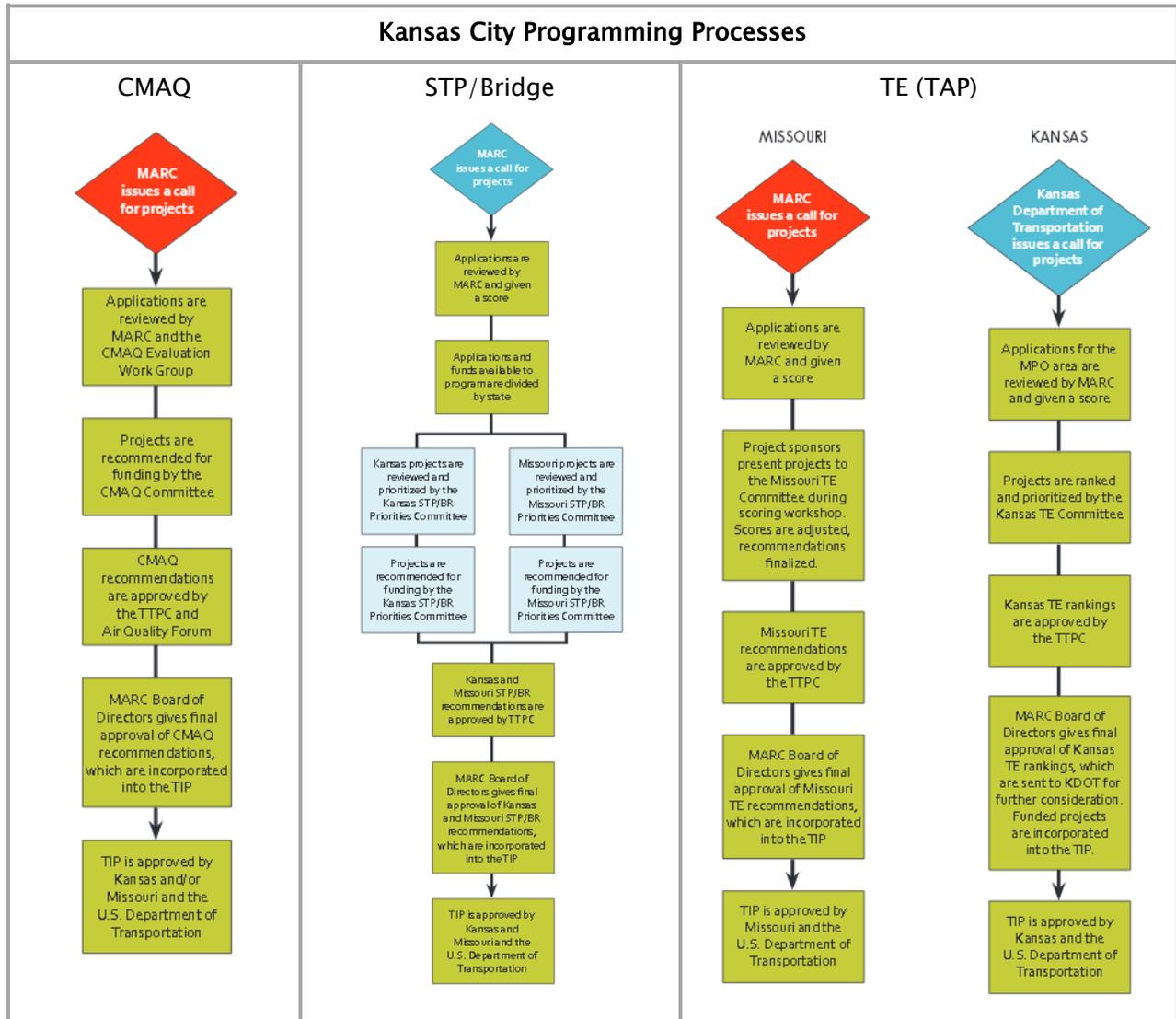
<sup>[1]</sup>Defined component of regional strategy in the adopted Decision-Making Framework for the PLAN 2040 RTP/TIP Update in 2014  
<sup>[2]</sup>General range; award amount may be higher or lower depending on merits of project / program and level of federal financial assistance required

regional impact + local relevance

Source: Atlanta Regional Commission, [http://documents.atlantaregional.com/tcc/cmaq/Program\\_Types.pdf](http://documents.atlantaregional.com/tcc/cmaq/Program_Types.pdf)

## APPENDIX C.

### Mid-America Regional Council's CMAQ, STP, and TAP Programming Processes



Source: Mid-America Regional Council Transportation Improvement Program 2012–2016,  
<http://www.marc.org/transportation/tip/2012–2016/TIP2012–2016.pdf>