

March 6, 2003

To: Metropolitan Policy Committee
From: Tom Schwetz
Subject: Item 4d: Unified Planning Work Program Overview

One of the fundamental products of the MPO process is the development of an annual Unified Planning Work Program, or UPWP. Staff will be bringing a draft UPWP for FY04 to MPC for review at its March meeting, with adoption planned for April. This memo provides an overview of the purpose and content of the UPWP.

Relationship of UPWP to Overall MPO Process

The underlying purpose of the MPO process is to carry out the following core functions:

Establish a setting: Establish and manage a fair and impartial setting for effective regional decision making in the metropolitan area.

Evaluate alternatives: Evaluate transportation alternatives, scaled to the size and complexity of the region, to the nature of its transportation issues, and to the realistically available options.

Maintain a Regional Transportation Plan (RTP): Develop and update a long-range transportation plan for the metropolitan area covering a planning horizon of at least twenty years that fosters (1) mobility and access for people and goods, (2) efficient system performance and preservation, and (3) quality of life.

Develop a Transportation Improvement Program (TIP): Develop a program based on the long-range transportation plan and designed to serve the area's goals, using spending, regulating, operating, management, and financial tools.

Involve the public: Involve the general public and all the significantly affected sub-groups in the four essential functions listed above.

This process ties together fundamental tasks of the MPO process: Long-Range Planning (RTP), Implementation (TIP), Public Involvement, Air Quality conformity, and Intergovernmental Coordination. The UPWP details the work elements to be accomplished in a given fiscal year. These activities allow the MPO to maintain compliance with federal regulations related to the core functions listed above.

The UPWP lists the transportation studies and tasks to be performed by the MPO staff or a partner agency during a given fiscal year. Because the UPWP reflects local priorities, the content differs from one metropolitan area to another. The UPWP contains several elements:

- The planning tasks and studies that will be conducted over a one- to two-year period;
- All federally funded studies as well as all relevant state and local planning activities conducted without federal funds (e.g., TGM funded projects, LTD BRT planning, etc.);

- Funding sources identified for each project;
- A schedule of activities; and
- The agency responsible for each task or study.

Development of the UPWP

As the MPO policy body, MPC would review and adopt the UPWP annually. The work elements outlined in the UPWP support:

- maintaining the transportation model and the underlying GIS and demographic data necessary to support the required products of the MPO process,
- updating the Regional Transportation Plan,
- various programming and implementation tasks including updating the Transportation Improvement Program, development of revenue forecasts, allocating MPO discretionary STP funds, and providing ODOT with MPO STIP priorities,
- conducting air quality conformity determinations and other air quality planning needs (the MPO is the cognizant local agency for attainment of federal Carbon Monoxide standards),
- maintaining a public involvement program,
- providing technical assistance to local agencies, consultants, and developers
- providing staff support for MPC, TPC, the LCOG Board and various ad-hoc groups as needed
- Coordination with federal, state and local agencies regarding regional transportation issues

The work elements included in the annual UPWP constitute the building blocks of the MPO process. It is through successive annual UPWPs that plans are developed, TIPs adopted, air quality conformity determinations made, public involvement occurs, and responsible, strategic improvements to the region's transportation system are made. An adequately scoped and funded UPWP is critical to continued federal approval of funds and environmental processes involving all elements of the transportation system.

The primary funding sources for MPO operations to this point have been federal PL funds, FTA Section 5303 funds, and ODOT discretionary STP funds. As a result of the region's TMA status, there will be a significant increase in the total amount of STP funds available for use in the MPO area at the discretion of the MPO. These funds are currently under ODOT discretion and a portion supports MPO operations. Maintaining current MPO operations will require the MPO to use a portion of the increase in local MPO discretionary funds to support the UPWP starting in FY04. Additional detail on UPWP funding is provided toward the end of this memo.

The draft FY04 UPWP is attached to this memo. Annually, ODOT, FHWA, and FTA conduct a review of all the UPWPs in the state. This review took place in mid-February and the attached draft incorporates comments made as part of that review. TPC has been reviewing the draft and will be asked to make a recommendation to MPC prior to MPC's action in April. April adoption of the UPWP is necessary to ensure that funds are available at the start of the fiscal year (July 1, 2003).

Key Issues to be addressed in FY04 UPWP

With the adoption of TransPlan (the Regional Transportation Plan, or RTP) in FY01-02, and subsequent amendments to TransPlan during FY02-03, the focus of the UPWP for FY03-04 will shift to other key tasks, as well as the initiation of the work program for the triennial review and update of the RTP. Key issues for FY04 include:

- Redesignation as a Transportation Management Area (TMA) – this occurred in mid-FY03. The MPO will continue to work to assess and implement requirements and changes brought about by this redesignation.
- Federal TMA/MPO Certification Review – responding to the first Federal certification review of the Central Lane TMA scheduled for May 7-9, 2003. This review will likely result in requests from FTA and FHWA for modifications to the current MPO process in order to comply with TMA requirements.
- Triennial Update of RTP – to meet the federal requirement for a triennial update of, and a 20-year planning horizon in, the RTP, work will need to commence in FY04 to incorporate new census data, updated forecasts of regional land use allocations and revenue, and revised priorities for projects affecting the regional transportation system.
- TIP Update – Both to meet federal TIP requirements for a minimum 3-year TIP programming period, and for consistency with the State of Oregon FY2004-2007 STIP (currently in public review draft form, slated for final adoption in December 2003), the Central Lane TIP needs to be updated to incorporate projects programmed within the TMA boundary. This will also require an air quality conformity determination.
- RTP Implementation – with adoption of TransPlan, there is a focus on implementing key strategies in the plan including nodal development, BRT, and TDM. In addition, corridor studies may be conducted in certain areas.

In addition to these key issues, several important tasks have been put on hold over the past several fiscal years due to a combination of reduced funding, a need to prioritize the completion of the TransPlan Update; and, more recently, a need to focus on tasks associated with TMA transition. These tasks include:

1. Update of the State Implementation Plan (SIP) for air quality conformity;
2. Incorporate Environmental Justice requirements in to ongoing MPO tasks;
3. Update of the Public Involvement Plan;
4. Update forecasts of land use allocations out to required planning horizon and incorporate new parts of the Urbanized Area into model.

These tasks need to be addressed in FY04 to maintain compliance with federal requirements. They are included as work items in the FY04 UPWP.

Participating Agencies

Staffs from the following agencies participate in the development of the UPWP:

- Lane Council of Governments (LCOG)
- City of Eugene

- City of Springfield
- City of Coburg
- Lane County
- Lane Transit District (LTD)
- Lane Regional Air Pollution Authority (LRAPA)
- Oregon Department of Transportation (ODOT)
- Federal Highway Administration (FHWA)
- Federal Transit Administration (FTA)

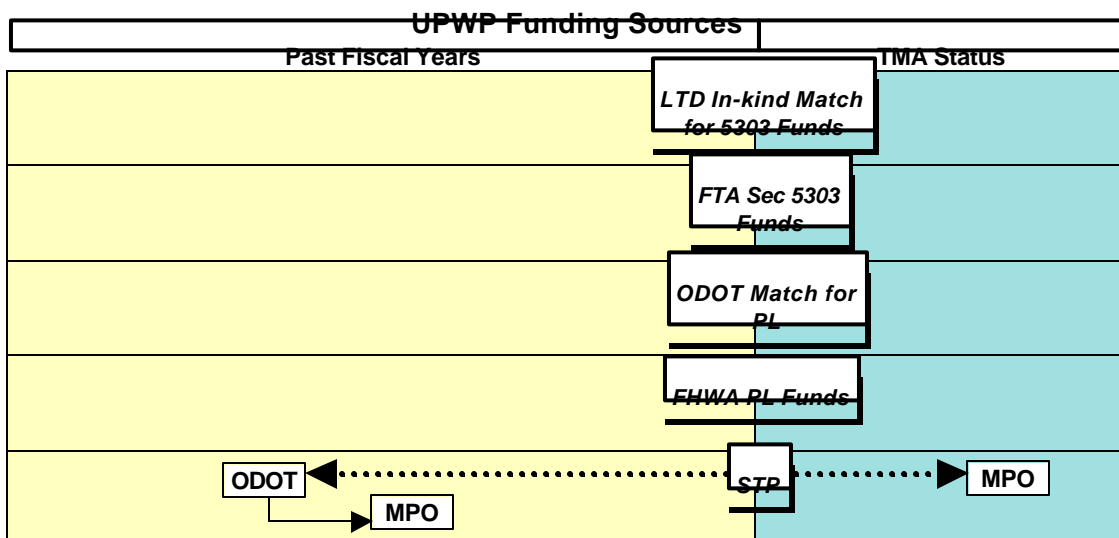
FY04 UPWP Funding Details

Overview of Funding Sources

Given the ongoing nature and linkages among the various MPO processes, the MPO functions more as an integrated operation than a set of separate and independent projects. Historically, funding for the MPO process has primarily come from three major sources:

1. FHWA PL Funds;
2. FTA Section 5303 Funds; and
3. FHWA STP Funds.

In addition, both in-kind and cash match have been provided to secure these funds. LTD provides in-kind match for the FTA funds, while ODOT has provided match for both the PL funds and the STP funds. This historical funding pattern is illustrated in the graphic below. With TMA status, all core UPWP funding sources remain the same. The only change is related to the administration of STP funds. As described earlier in this memo, TMA status transfers responsibility over a portion of STP funds from ODOT to the MPO. Whereas STP funds used to flow through ODOT to the MPO, these funds now flow directly to the MPO. As a result, under TMA status, the MPO needs to program the STP funds used in the UPWP in the Transportation Improvement Program (TIP). In order to have the funds available at the beginning of the fiscal year, a TIP amendment would be needed at the June MPC meeting.



UPWP Funding History

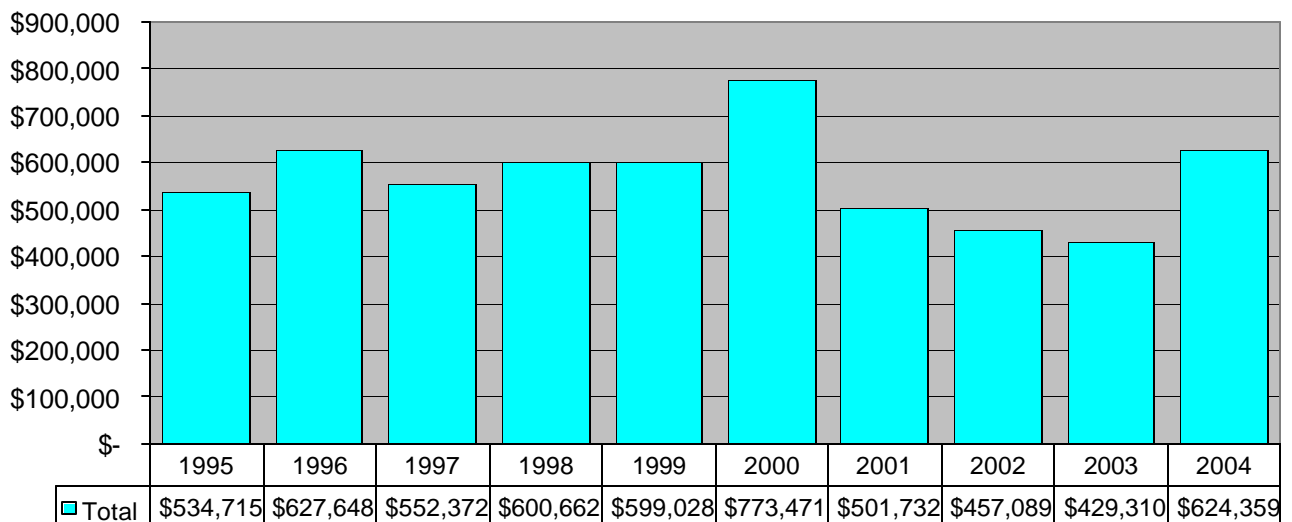
Historically, while the PL and Section 5303 funds have provided a significant portion of the revenue needed to fund the MPO operation, they have needed to be supplemented with STP funds. Project-specific funding such as that provided through the TGM grant program, allows for the development of useful products, but does not substitute for operational funding necessary to support the ongoing MPO process. The activities associated with the MPO process are central to the region’s continuing to receive federal funds and necessary approvals. For these reasons, STP funds have been integral to the MPO’s funding structure. Table 1 in the Draft FY04 UPWP provides a summary of the UPWP’s funding structure.

The figure below provides the UPWP funding history for the MPO over a ten-year period between FY 1995 and the proposed FY 2004 UPWP. This graph reflects the use of the 5 core funding sources described above (FHWA PL, FTA 5303, STP, and related match). It does not include revenue related to specific projects funded using TGM grants, or specific research funds.

As can be seen, while funding rose gradually between 1995 and 2000, there has been a sharp decrease in funding between 2000 and 2003. This reflects a reduction in STP funding provided by ODOT during that period.

FY04 is the year in which two new MPOs will begin operation (Corvallis and Bend). FHWA PL and FTA 5303 funds are distributed to each state on the basis of that state’s urbanized population. This creates a situation where the pool of funds available to MPOs is fixed and yet must be distributed among all MPOs in an equitable manner. Essentially each MPO would receive a “smaller piece of the same-sized pie”. Without the addition of STP funds, the FY04 UPWP would have been reduced by an additional \$55,000 below the FY03 funding level at a time when the area is beginning to take on the increased responsibilities of a TMA.

UPWP Funding History 1995-2004



Peer Comparisons

All MPOs face the same set of federal requirements. Yet, several variables can affect the cost requirements of an MPO including both external and internal factors. External factors include the severity of existing air quality problems, the existence of state or local regulations that add to the federally-required process (e.g., DLCD's Transportation Planning Rule), the level of activism in the region, the degree of intermodal coordination, and the number of other MPOs in the state with whom federal funds must be shared. Internal factors include the capacity and expertise of MPO staff, and the depth of staff available to the MPO process.

Regarding external factors, this region has been fortunate to not have the air quality problems that exist in the Medford and Portland areas. However, all of Oregon's MPOs must conduct the federal process in the context of Oregon's extensive land use regulations; which most other MPOs in the country are not faced with. This area is known both for its high level of activism and a long tradition of intermodal coordination. External factors can also affect the relative cost of an MPO operation year to year, depending upon the status of the plan update, the scope of a TIP update, the need to update key data or projections, etc. Regarding internal factors, the ability to tap expertise in a broad range of areas (including GIS, land use, demography, legal, public involvement) gives LCOG a cost advantage over most other MPOs.

To gain some context for the proposed MPO budget, it is useful to review a comparison with other MPO budgets. The table below provides a comparison of MPOs in the northwest. For each MPO information is provided on the most recent UPWP annual budget, the average annual amount programmed in the TIP, and the 2000 urban area population. The measure of UPWP funding as a percentage of TIP funding gives a sense of the cost of the MPO process expended to leverage federal and other investments programmed in the TIP. On average this is about 4.6% for all the MPOs and 3.3% for the MPOs under 350,000 in population. Using the proposed FY04 UPWP funding level, this area expends about 2 percent of the value of its TIP on the MPO process.

Given the variables affecting the cost of an MPO process; priorities and funding levels can vary significantly. The measure of UPWP funding per capita provides a useful tool to compare the relative level of investment made in the MPO process in each area. This is particularly true with respect to the group of MPOs under 350,000 population, which are more relevant comparisons with this area. On average, UPWP funding per capita is \$3.42 for all MPOs surveyed and \$3.75 for the MPOs under 350,000 in population. Using the proposed FY04 UPWP funding level, this area expends about \$2.99 per capita on the MPO process.

There are several observations of the comparisons worth noting:

First, there is a distinct difference between the largest MPOs (PSRC Seattle and Portland Metro) and the rest of the MPOs. The differences in how their TIPs are developed and the scale of their MPO processes set them apart. As the size of the MPO increases, the cost of the MPO process, on a per capita basis, can be expected to go down.

Second, Oregon's MPOs generally have smaller budgets relative to the MPOs in Washington and Idaho. This is due largely to the existence of state resources made available to the MPOs in those states for operational purposes.

Third, in terms of both the UPWP funds per TIP program and UPWP funds per capita, the Central Lane MPO ranks toward the bottom of the set of smaller MPOs in the Northwest. This is due in part to the cost advantages we have. In the past this area has also probably enjoyed a higher level of integration of all its planning processes than other MPOs; largely due to the presence of the Metro Plan partnership.

Finally, all of the MPOs surveyed make use of MPO-STP funds to support their respective UPWPs.

Budget Comparison of Northwest Area MPOs						
MPO	Annual UPWP \$	Average Annual TIP \$	UPWP as % of TIP	2000 Urban Area Pop	UPWP \$ Per Capita	MPO STP used in UPWP?
Community Planning Assoc of SW Idaho (Boise)	\$1,392,900	\$27,417,052	5.1%	272,625	\$5.11	yes
Thurston Regional Planning Council	\$704,630	\$23,255,000	3.0%	143,826	\$4.90	yes
Spokane Regional Transportation Council	\$1,523,000	\$48,723,667	3.1%	334,858	\$4.55	yes
Mid Willamette Valley COG	\$727,348	\$22,560,000	3.2%	207,229	\$3.51	yes
Rogue Valley COG	\$399,925	\$30,278,446	1.3%	128,780	\$3.11	yes
Central Lane MPO	\$670,000	\$33,000,000	2.0%	224,049	\$2.99	FY04
Puget Sound Regional Council	\$7,500,000	\$100,000,000	7.5%	3,277,000	\$2.29	yes
Metro	\$2,905,163	\$26,000,000	11.2%	1,305,574	\$2.23	yes
SW Washington Regional Transportation Council	\$721,843	\$14,203,667	5.1%	345,238	\$2.09	yes
Combined Metro/SW WA	\$3,627,006	\$40,203,667	9.0%	1,650,812	\$2.20	yes
Average - All	\$1,838,312	\$36,159,759	4.6%	693,242	\$3.42	
Average - small MPOs (less than 350,000 population)	\$877,092	\$28,491,119	3.3%	236,658	\$3.75	

Notes:

1. TIPs in the larger MPOs (Portland and Seattle) tend to be more constrained to federal funds. This makes their UPWP as a percent of TIP much higher. The entire programming process in these areas is made more complex with the coordination among 20 or more individual agencies.
2. The MPO process in the Metro and SW Washington area is largely a joint process. For this reason, their information is presented both separately and combined.
3. Information on smaller MPOs is not readily available. These include Corvallis, Bend, Bellingham WA, TriCities WA, Kelso/Longview WA, Yakima WA, Idaho Falls ID and Pocatello ID.
4. Rogue Valley's average annual TIP figure is heavily influenced by a single \$50.7 million ODOT I-5 interchange reconstruction project. Without this project, RVCOG's UPWP as a percent of TIP equals 2.2%.

Action Requested: Information and discussion only.

Attachments: Attachment 1 – Draft FY04 Unified Planning Work Program