

March 3, 2005

To: Metropolitan Policy Committee

From: Paul Thompson

Subject: Item 4.c: Programming STP-U Funds for FY06 Planning & Project Development

Action Recommended: None. Information and discussion only.

Background

In October 2003 MPC programmed Surface Transportation Program Urban (STP-U) funds within the Central Lane Metropolitan Planning Organization (MPO) for the first time. As part of that process, MPC established four major project categories and funding targets for the use of STP-U funds. Those four categories, and the targets, are:

- System Preservation 50 percent
 - Roadway
 - Transit
 - Bike/Pedestrian
- System Modernization 20 percent
 - Roadway
 - Transit
 - Bike/Pedestrian
- Planning & Project Development 20 percent
- Transportation Demand Management (TDM) 10 percent

In October 2003 STP-U funds were programmed for FY04, FY05 and FY06. The expected STP-U funding levels for each of the three fiscal years was based on the anticipated funding level for FY04, and held constant through FY05 and FY06. Due to strong competition for the STP-U funds, the MPO decided to fully fund the four funding targets in FY04 and FY05, and to fully fund System Preservation, System Modernization and TDM in FY06. At that time, no funding was programmed for Planning & Project Development in FY06, with the understanding that future refinements of forecasts of anticipated STP-U funds for FY06 would likely allow funding of that project category at a future date.

Staff Recommendations

The September 4, 2003 staff memo to MPC regarding STP-U funding allocations indicated that:

five planning and project development applications [were received for STP-U funding], totaling requests for approximately \$2.5 million in funding from a funding target for this category of \$1.35 million. This funding category presented the most competitive group of applications.

As a result of the five applications all scoring relatively high on the evaluation criteria, TPC staff arrived at another approach to developing a funding recommendation for this category. In general, the approach is to support all of the regional transportation planning efforts by partially funding all five of the applications.

. . . steps taken to reach the partial funding outcome [were] first eliminating the funding requests for each application for the third fiscal year (FY06) of the three-year MTIP and then reducing the 2-year funding request for four of the five remaining applications by approximately 20 percent each.

The October 2003 forecast of total FY06 STP-U revenue for the MPO was approximately \$2.25 million. Recent information provided by the Oregon Department of Transportation (ODOT) indicates that an updated forecast of that revenue would be closer to \$3 million.

Backfilling the established funding target for the P&PD project category is possible at this time. At its March 24, 2005 meeting the MPO's Transportation Planning Committee (TPC) will consider a recommendation for programming FY06 STP-U funds for Eugene, Springfield, Coburg, LTD and LCOG at the FY05 levels. TPC will then forward a recommendation on this issue to MPC for consideration at the April 14, 2005 MPC meeting.

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