



July 5, 2006

To: Metropolitan Policy Committee
From: Paul Thompson
Subject: Item 4.e: Proposed Process for Programming STP-U Funds

Action Recommended: Review & discuss. Direct staff to proceed with process for programming STP-U funds.

Background

At the April, May and June 2006 MPC meetings, staff has presented materials providing extensive background on the current federal Surface Transportation Program – Urban (STP-U) funds programming process and the development of a new process. At the June 2006 MPC meeting, MPC programmed STP-U funds for baseline UPWP and planning activities conducted by the MPO and the member jurisdictions in FY07. The June materials also presented the proposed process for programming additional STP-U funds for planning activities in FY07 and beyond.

This memo and the accompanying attachments now present the full staff proposal for a process to program the MPO's STP-U funds for all purposes in FY07 and beyond.

Discussion

Presentations and discussions at the three previous MPC meetings have outlined the staff proposal for an improved process to evaluate applications for, and program, the MPO's annual STP-U funds. In general, the main points of the proposal are:

- Of the approximately \$3 million (current estimate) in Central Lane MPO STP-U funds available per year:
 - Maintain the ten percent annual funding target for Transportation Demand Management/Transportation Options (TDM/TO) activities
 - Establish twenty-five percent annual funding target for Planning activities
 - Establish a baseline level of funding for each jurisdictions' staff involvement in the core MPO processes and meetings.
 - Establish a baseline level of funding for UPWP activities conducted by the MPO.
 - Target additional STP-U funding up to the 25 percent target for local jurisdiction planning to carry out planning activities in support of regional MPO priorities.
 - Target sixty-five percent of annual STP-U funding for Preservation, Project Development and Modernization activities

- Limit each local jurisdiction to a maximum of two funding applications for each fiscal year for Preservation, Project Development and Modernization activities
- Look for opportunities to combine funding across multiple fiscal years to fund large projects that are regional priorities
- Discourage funding projects where the overhead cost of using STP-U funds is relatively high
- Flexibility of evaluation
 - For each 2-3 year STP-U programming cycle, identify at the MPO Policy Board level the regional priorities for the cycle, consistent with Regional Transportation Plan (RTP) policies
 - For example, current regional priorities might be characterized as:
 - Maintain and preserve the existing system
 - Address congestion and improve regional mobility
 - Establish pass/fail criteria for applications (see Attachment 2, lower left corner)
 - A preliminary draft technical recommendation will be developed by staff based primarily on technical considerations
 - TPC will make a recommendation based on this information, again based primarily on technical considerations
 - The CAC will review the technical recommendation, and, in combination with other considerations, develop a CAC recommendation
 - Both the TPC and CAC recommendations will narrow the application set within discrete activity areas (as described in Attachment 2)
 - The goal of both the TPC and CAC recommendations will be to narrow the recommended applications to no more than 150% of the available funding
 - The Policy Board will consider the TPC & CAC recommendations, request additional information as needed and adjust the application set as desired
 - The Policy Board will then solicit public input
 - After the public comment period, the Policy Board will make a final funding decision

Attachment 1 presents an updated version of Attachment 1 from the June 2006 MPC meeting, showing the proposed process for programming STP-U funds for TDM/TO and Planning activities.

Attachment 2 presents the proposed process for programming STP-U funds for Preservation, Project Development and Modernization Activities. This diagram provides details on the STP-U funding objectives, and the proposed process to meet these objectives while programming STP-U funds for these activity areas.

Next Steps and Timeline

Attachment 5 presents the same STP-U programming timeline included in the May and June 2006 MPC packets.

MPO staff is asking for direction to proceed with the steps outlined in the timeline toward the goal of programming STP-U funds for all purposes in FY08 and FY09, as well as programming supplemental planning funds (beyond the baseline amounts programmed by MPC in June, 2006) in FY07.

On June 22, 2006 TPC unanimously approved a motion recommending to MPC that staff should be directed to proceed as stated above.

Recommended Action: Direct staff to proceed with process for programming STP-U funds.

Attachments: Attachment 1 – STP-U Process for TDM/TO and Planning
Attachment 2 – STP-U Process for Preservation, Project Development and Modernization
Attachment 3 – Federal Guidelines for STP-U Funds
Attachment 4 – Sample Technical Evaluation Considerations
Attachment 5 – STP-U Programming Timeline