

To: Transportation Advisory Board
Kevin Roggenbuck, Transportation Coordinator

From: Marie Cote, PE, Principal
Charleen Zimmer, AICP, President of Zan Associates
Steve Peterson, AICP, Associate

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Subject: Technical Memorandum #3 for the Regional Solicitation Evaluation

Policy Maker Workshop

A policy maker's workshop was held on May 6, 2013, from 1:00 p.m. to 4:00 p.m. at the Ramsey County Public Works facility in Arden Hills. Over 120 policy makers, public agency staff, and key stakeholder organizations were invited to attend. The purpose of the workshop was to discuss key policy issues related to MAP-21 and the Regional Solicitation process. Seventy stakeholders attended the event including 26 elected/appointed officials, 24 representatives of stakeholder organizations, and 20 senior staff.

Three other activities occurred in anticipation of the workshop. First, telephone interviews were conducted with a number of transportation leaders (both policy makers and senior staff). Second, an internet survey was conducted with individuals that had either prepared or evaluated applications in previous solicitations. Third, research was completed on the history of the solicitation process including projects previously awarded funding. These three items, along with changes related to MAP-21, provided the basis for the discussion questions explored at the policy maker workshop.

A brief presentation was made on the existing solicitation process, projects funded through the solicitation process, and changes in MAP-21 that affect the solicitation process. Three types of federal funding are awarded through the Regional Solicitation process.

- Surface Transportation Program (STP): The federal "intent" of STP funds is to "preserve or improve conditions and performance on any Federal-aid highway, bridge projects on any public road, facilities for non-motorized transportation, transit capital projects and public bus terminals and facilities." How does that fit with regional objectives? How should (or should not) mode play into the regional discussion of the STP program?
- Congestion Mitigation and Air Quality (CMAQ): The federal "intent" of CMAQ is to provide "a flexible funding source to State and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act". How does that fit with regional objectives? How should (or should not) mode play into the regional expenditure of CMAQ dollars?

- Transportation Alternatives (TA): The federal “intent” of the new Transportation Alternatives fund is not very clear – essentially it is to provide funding for “transportation alternatives and enhancements, recreational trails, and safe routes to school.” How does that fit with regional objectives and what types of projects and programs should be funded in our region with these federal funds?

Discussion of Policy Direction Related to Federal Funding

During the first one-half of the meeting, small group discussions were facilitated around broad policy questions regarding the *future* use of federal funds. These discussions focused around three key questions:

1. What should the region be trying to accomplish with these federal funds?
2. In light of the stated intent of the (STP, CMAQ, TA) federal funding program and current regional policies, what should the regional priorities be for the use of these dollars?
3. Do we want to fund larger projects? If so, how could this be accomplished? Should project size limits be increased? Should multiple funding sources be used for a single project, particularly if it is a multi-modal project? Should there be a “set-aside” for unexpected opportunities?

1. What should the region be trying to accomplish with federal funds?

- Implement regional vision/goals
- Expand the system
 - Need to define expansion
- Preserve the system
 - Need to define preservation
 - Reconstruction of existing systems – can benefit multiple modes
 - Mill and overlay and general maintenance projects should be the responsibility of local governments
 - Listed as a priority in TPP
 - Should be a priority for funding; should not be a priority because it encourages communities to stop maintaining their systems
- Technological improvements – how can we enhance roadways; telecommuting
- Benefits of multiple modes
- High benefit-cost ratio; good return-on-investment
- Completion of regional systems (highway, rail, etc.)
- Preservation of amenities including the natural environment
- Achieve environmental goals (sustainability, air quality, climate change)
- Focus on mobility and accessibility
- Support regional growth
 - Manage, direct, or accommodate
 - Coordinate with sewer expansion

- Direct infrastructure investment to where development is desired
- Move people efficiently (and goods and services)
- Leverage dollars
- Direct growth to areas with excess capacity
- Economic development – attract businesses to the region to create jobs
- Healthy people – walkable communities
- Make better use of reverse commute capacity
- Advance environmental justice through infrastructure investment
- Consider bundling projects
- Reflect changing travel patterns and changing demographics
- Reflect different contexts (for example, urban core, suburban, rural)
- Solicitation is generally aligned with regional policies and priorities (some individual projects may not be clearly aligned)
- There is a need for the solicitation to be continually updated to stay aligned with changing regional policy

2. What should the regional priorities be for the use of federal dollars?

- Completion of the regional system
- Improvements that benefit more than one mode
- Projects with high return-on-investment
- “A” minor arterial projects (noted that MnDOT is focusing on principal arterials)
- Projects that support regional goals
- Projects with high person throughput
- Connections between regional assets
- Projects that provide connection to jobs and housing
- Projects that reflect high value criteria
 - Master plan completion (or integration with regional plans)
 - Deliverability
 - Commitment to maintain and operate
 - Partnerships and community engagement
 - Benefit-cost
 - Safety
 - Freight and goods movement
- Geographic balance
 - What is fair?
 - Geographic equity?
 - Social equity?
- Multi-jurisdictional and/or multi-modal projects
- Projects that demonstrate need; not just receive points for certain project elements
- Regional equivalent of TIGER program – creative multi-modal projects

- Projects in environmental justice areas
- Economic development
- Projects that support healthy living, active lifestyle, and vibrant communities

3. Should the region be funding larger projects?

- Consider allowing funds for right-of-way acquisition and planning activities
- Consider funding improvements at multiple locations on a corridor
- Set aside some federal funds to leverage other funding sources
- Should be funding larger projects – moves more dollars to “bricks and mortar” rather than project development
- Perhaps should try to leverage more private dollars
- Need to be able to fund both large and small projects
- Should decrease the percent of project cost funded with regional dollars
- How would you manage cost estimates with a “reserve” fund? How would those dollars be allocated? How could fiscal “game playing” be avoided?
- Sometimes small projects affect a larger number of people than a large project
- Look for ways to fund one or two bigger projects that are important to region (perhaps do a “pilot” in one solicitation)
- Consider percent of total budget that comes from other sources
- Focusing on bigger projects may leave less funding for other communities or important smaller projects
- Need consideration for some dollars to go to larger regionally significant projects that cost more and are difficult to fund
- Flexibility to respond to opportunities or unexpected problems
- Considerations
 - Constraints imposed by project complexity?
 - Management capacity of smaller communities?
 - Federal projects have significant overhead

Discussion of Surface Transportation Program (STP)

1. What types of projects should STP funds be used for in the Twin Cities region?

- Focus on expansion and reconstruction
- Preservation, maintenance, and management should be part of normal local budget – should not use federal dollars for this purpose
- Need to understand the definition of preservation and reconstruction
- Projects with multiple benefits (multiple modes embedded, not tacked on)
- Backing away from preservation is not consistent with the Transportation Policy Plan (TPP)
- Need to preserve amenities and natural environment
- Developed communities need modernization and multi-modal treatments, not expansion

- In rural counties, land development and growth are more important
- Need to tie land use and growth to transportation investments
- Need to look at policies holistically and tie transportation and utility investments together
- Recent changes related to Augmentors was a small step in the right direction - need more work on Augmentors to reinforce higher density in urban core

2. Should spot improvements be given priority over added lanes for new construction/expansion projects when allocating STP funds?

- Technology may change how we use infrastructure – need to get more out of existing right-of-way

3. Should transit projects and/or non-motorized projects be eligible for STP funding? Should projects that include these elements be given priority? Should these elements be required in a project for eligibility?

- Funds are too limited to include transit projects – should include only if there is additional funding
- Need to fund projects with multiple solutions/modes – more return-on-investment
- Transit is an important component for most projects already
- Important not to change program to make up for other policy failures
- Try to maximize other funding sources for transit, trails, etc.
- There are large parts of the region that do not have access to transit and they should not be penalized
- While TPP says maximize person throughput, does not necessarily mean “transit only”
- Need to protect STP funding source for roadways
- Buses operate on roadways so they benefit from these investments
- Transit projects should be funded with CMAQ
- Funding for trails should be from other sources
- Keep in mind the value of trails as linkages to schools and jobs in impoverished areas
- Need better data to determine the need for and value of multi-modal components

4. Do projects in developed areas need to be evaluated differently than projects in developing areas? Should we solicit for different types of projects in the urban area compared to the developing area? How and why?

- One size does not fit all
- Should ensure that the benefits described in the application are actually realized after the project is constructed
- Projects should be evaluated on
 - Completion of plan
 - Deliverability

- Commitment and ability to provide ongoing maintenance
- Partnerships
- Benefit/cost
- Safety

Discussion of Congestion Management and Air Quality (CMAQ)

Current federal guidance allows CMAQ funds to be used for diesel retrofits, alternative fuel projects, traffic management, signalization or ITS projects, HOV lanes, travel demand management, transit investments, non-recreational bicycle/pedestrian improvements, and vehicle inspection/maintenance programs. Currently, the Regional Solicitation process funds projects in three general categories: (1) transit expansion, (2) transportation demand management (Metro Transit and Transportation Management Organizations), and (3) system management projects.¹

1. Should the region change how these funds are utilized?

- Allocate to: (1) transit, (2) TDM and TMOs, and (3) System management (traffic management and signal coordination)
- Expand scope of air quality to include greenhouse gases
- Electric vehicles (think about the total carbon footprint implication)
- Would Metro Transit's garage retrofit be eligible?
- Add non-motorized projects
- Quality of life improvements – attracting jobs and businesses
- Transportation Management Organizations (TMOs) should compete for funding – not be guaranteed funding “off the top”
- Do CMAQ projects achieve the benefits they proposed in their funding applications?
- The vehicle miles traveled (VMT) measure biases projects with longer trips
- Add criteria that reward projects that reduce emissions in the most polluted areas (particulates) – related to environmental justice issues
- Encourage/reward more efficient development patterns

2. Should transit operating costs be eligible? Should facilities and/or service expansion on existing routes be eligible? Should transitway projects be given higher priority than other transit projects?

- Concern about using CMAQ for operating costs, including bus replacement
- Possibly use to encourage vehicle technology innovation
- Operating “tails” of CMAQ service grants need to be considered (sustainability of operations)

¹ While system management projects are one of the existing CMAQ funding subcategories, there was not much discussion regarding this improvement type at the policy maker workshop. Instead, the conversation focused on transit improvements.

- Consider using for transitway connecting bus service costs (should this be new service only or ongoing operations?)
- There should be more flexibility in the CMAQ program

3. Should non-motorized projects be eligible for CMAQ funding?

- Lowest operating cost investments
- Where are the gaps in the system?
- Expand well-designed on-road bikeways, not off-road trails

4. Should traffic management, ITS, transportation system management projects be given higher priority?

- Need to make funding decisions based on air quality benefit
- Balance with VMT implications
- This reduces funding available for transit – road projects can be funded thru STP; transit cannot
- Balance between STP and transit – this should be intentional in each solicitation
- Should consider safety, congestion reduction, and health implications

Discussion of Transportation Alternatives (TA)

Federal guidance permits TA funds to be used for a wide range of projects including scenic and environmental projects, bicycle and pedestrian projects, historic and archaeological projects, streetscape/pedestrian enhancement projects, regional recreation trails, safe routes to school and many other types of projects. Currently, the Regional Solicitation process allows for a variety of project types in four categories (bicycle and pedestrian trails, streetscape, historic preservation and archaeological, and scenic and environmental); however, the majority of funded projects tend to be bicycle/pedestrian trail projects.

1. Should the region fund all of the federally eligible projects or focus this funding on certain types of projects?

- Priority should be to build out the regional trail system, but local projects are also important
- What is the definition of a regional trail?
- Removing gaps is very important
- On-street bicycle facilities are important, especially connections to transit
- Emphasis on connectivity to other modes and to job centers
- Trails create better quality of life – need a system that moves people where they need to go
- Priority for areas with more walking need – especially connections to transit
- Allow dollars to be used for trail planning – difficult to pay for trail planning and get to the point where agencies can apply for construction funds through the Regional Solicitation
- Use Metro Council's regional bike plan to help inform priorities
- Use other funding sources to leverage funding

- Should include connectivity beyond the trail project
- Project readiness is important
- Should be more emphasis on serving existing communities where people walk because they have to –no cars is a way of life within these communities
- Walking needs may differ in urban and suburban areas
- ADA accessibility is an important consideration – should be called out in project eligibility
- Have a flexible pot of money that can be used by agencies to add a trail or sidewalk to part of another road project

2. Should projects be required to have a transportation purpose?

- Encourage connections to jobs and other destinations
- Give preference to trails that have a transportation purpose (many trails have a transportation and recreational component)
- Should not forget that many people use trails for recreation, especially in suburban and rural areas where trails may not be used as much for transportation purposes
- May be difficult to get data to assess transportation purpose
- Preference for projects that increase bicycle and pedestrian safety
- Define destination and productivity in the next TPP

3. Should priority be given to projects that are part of a regional facility plan and/or serve a regional purpose?

- Use funds for large projects (they become federalized) and free up other funds for other smaller projects
- Use Metro Council Bike/Walk Plan as a way to identify key projects
- Regional projects should be funded
- There should be a tool (for example, connections provided or population density served) to determine which trail projects are regional?