

## **ACTION TRANSMITTAL 2014-20**

**DATE:** March 6, 2014

**TO:** Transportation Advisory Board

**FROM:** Technical Advisory Committee

**PREPARED BY:** Amy Vennewitz, Deputy Director (651-602-1058)  
Elaine Koutsoukos, TAB Coordinator (651-602-1717)

**SUBJECT:** 2017 CMAQ Request for Projects

**REQUESTED ACTION:** Recommend the proposed one-time process and release of the attached Request for Projects to award 2017 CMAQ funds

**RECOMMENDED MOTION:** Recommend that the Transportation Advisory Board approve the one-time process and release of the Request for Regionally Significant Transit Capital Projects to award 2017 CMAQ funds

### **BACKGROUND AND PURPOSE OF ACTION:**

The Regional Solicitation Evaluation (RSE) was originally scheduled to be completed in the spring/early summer of 2013. This timeline would have allowed for a new solicitation design to begin in the summer with a potential late fall 2013/early winter 2014 release of a solicitation package. Under the current extended RSE schedule, the next solicitation is now expected to be released in fall 2014 with projects selected in early summer 2015.

Because this schedule would allow for less than two years project development time for 2017 funds, in September 2013 TAB received an information presentation on various funding allocation options. A special solicitation for the Transportation Alternative Program funding has already moved forward. The allocation of 2017 STP funds is being discussed by TAC Funding and Programming and it is expected that a recommendation will be brought forth soon recognizing that due to past project sunset date extensions a much lower level of funding is available for STP funds in 2017.

For the CMAQ funding, one of the proposed options was for TAB to consider allocating a portion of the funding to regionally significant transit projects. In September it was recommended that staff begin compiling a list of potential projects for TAB's consideration. It has since become evident that a couple of the regionally significant projects that might be considered require funding decisions to be made on a short timeline (by early summer) in order to keep the projects moving as scheduled. Therefore, at the February meeting, TAB directed that a one-time project selection process for regionally significant transit capital projects be developed and released as described below.

### **Proposed Selection Process**

The suggested process is that for 2017 CMAQ funding the TAB, with Council concurrence, will select regionally significant transit capital projects to receive the historical transit share of CMAQ funding. (\$3.0 M of CMAQ funds will be allocated to TMOs and \$4 M of CMAQ funds set-a-side for roadway traffic management projects that can be allocated through the 2014-15 solicitation process.) It is estimated that approximately \$20 M will be allocated to the selected transit projects.

TAB directed that a project application process be developed and released following the schedule below and that the applications be evaluated based upon six criteria including: regional significance, usage and impacts of the project, equity considerations, project readiness, project funding and air emission impacts. The attached Request for Regionally Significant Transit Capital Projects describes eligibility and information that the applicant must include in an application in order to be considered for funding. It is proposed that the release of the Request for Projects and project evaluation follow the schedule below.

**Proposed Schedule:**

<b>Date</b>	<b>Action</b>
March 3	Preliminary Notification Announcing CMAQ Process
March 20	Release Request for Regionally Significant Transit Capital Projects
<b>April 11</b>	<b>Project Application Submittal Deadline</b>
<b>April 15 or 16</b>	<b>CMAQ Project Rating Committee</b>
<b>April 16</b>	<b>Presentation of Project Proposals to TAB by Project Applicants</b>
April 17	TAC Funding & Programming provides technical comment on proposed projects
May 7	TAC provides technical comment on proposed projects for TAB's consideration
May 21	TAB action on selecting projects for funding
June 9	Council Transportation Committee reviews and recommends concurrence with TAB project selection
June 11	Metropolitan Council reviews and concurs with TAB project selection
June 18	TAB includes list of projects as an addendum in 2015-2017 Draft TIP. TAB releases the Draft TIP for public comment.
June - November	Draft TIP Approval Process

**RELATIONSHIP TO REGIONAL POLICY:** TAB develops the process for awarding regional federal transportation funds and approves projects for funding.

**STAFF ANALYSIS:**

This one-time process is in response to the time sensitivity in allocating funds to near term projects. Staff has the general project evaluation criteria recommended by TAB members. Staff presented the general project criteria to TAC Funding & Programming Committee and received further recommendations to create specific eligibility and requested information for the Request for Projects.

**COMMITTEE COMMENTS AND ACTION:**

On February 19, 2014, TAB recommended approval of the one-time project selection process, provided general evaluation criteria to be included in a Request for Projects and directed staff to develop a detailed Request for Projects for release.

On February 20, 2014, TAC Funding and Programming reviewed the general evaluation criteria and provided feedback on specific information and eligibility requirements that should be included in a Request for Projects.

On March 5, 2014, TAC reviewed the CMAQ process and Requests for Projects and made a motion to add a TAC Subgroup (CMAQ Project Rating Committee) to the schedule to review the projects prior to going to Funding & Programming Committee and that TAB consider adding a cost effectiveness measure as part of the criteria.

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**ROUTING**

<b>TO</b>	<b>ACTION REQUESTED</b>	<b>DATE COMPLETED</b>
TAC Funding & Programming	Comment	February 20, 2014
TAC	Review & Recommend	March 5, 2014
Transportation Advisory Board	Review & Adopt	
Metropolitan Council Transportation Committee	Review & Recommend Concurrence	
Metropolitan Council	Review & Concur	

# **REQUEST FOR REGIONALLY SIGNIFICANT TRANSIT CAPITAL PROJECTS**

**FOR 2017 FEDERAL  
CONGESTION MITIGATION  
AIR QUALITY (CMAQ) FUNDING**

**MINNEAPOLIS-ST. PAUL METROPOLITAN AREA, MINNESOTA**



## INTRODUCTION

This request for regionally significant transit capital projects will use federal transportation funding available to the region for allocation and is part of the Metropolitan Council's federally-required continuing, comprehensive, and cooperative transportation planning process for the Twin Cities Metropolitan Area. The funding program and related rules and requirements are established by the U.S. Department of Transportation and administered locally through collaboration with the Federal Highway Administration, the Federal Transit Administration, and the Minnesota Department of Transportation.

## I. PROGRAM OVERVIEW

The Twin Cities Metropolitan Area selects projects for funding from three federal programs: Surface Transportation Program (STP), Congestion Mitigation and Air Quality (CMAQ), and Transportation Alternatives (TAP). This request is only for CMAQ funds to be programmed for 2017.

The Congestion Mitigation Air Quality (CMAQ) program was authorized by the most recent Federal transportation funding act, **Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21)**, that was signed into law on July 6, 2012. CMAQ was originally authorized in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and continued through two successive laws, TEA-21 and the **Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)**. CMAQ provides flexible funding to state and local governments for transportation projects and programs to help meet the requirements in the Clean Air Act of 1990. Funding is available in areas that do not meet the National Ambient Air Quality Standards (nonattainment areas) for ozone, carbon monoxide (CO) and small particulate matter (PM-10), as well as former nonattainment areas that are now in compliance (CO maintenance areas), such as the Twin Cities region.

While the program is currently authorized through FFY 2014, this Request for Projects assumes a continued CMAQ or successor program will provide an adequate level of funding.

For this request for projects, the TAB and Council have chosen to limit the potential uses of CMAQ funds described in the federal guidance only to transit capital projects of regional significance. **The evaluation criteria that will be used to select the projects are: Regional Significance, Usage and Impacts of the Project, Equity, Project Readiness, Project Funding, and Emissions Reduction (see pages 7-8 for detail on the criteria).**

## II. GENERAL REQUIREMENTS

1. **Eligible Entities** – Project applicants must be an eligible recipient of federal funds including counties, cities and townships within the seven county metropolitan area, all Minnesota state agencies, the Metropolitan Council, public transit providers, and Indian tribal governments. Other potential applicants should contact the Metropolitan Council to determine eligibility.
2. **Eligible Projects** - CMAQ funds are available for a variety of projects and programs. However, for this project selection, TAB has chosen to limit eligibility to transit capital projects of regional significance.

The TAB has developed criteria to evaluate eligible projects, as shown on pages 7-8. All projects must comply with the requirements of the Americans with Disabilities Act.

3. **Permanent Improvement** - A CMAQ construction or reconstruction project must be a permanent improvement having independent utility. The term “independent utility” means the project provides benefits described in the application by itself and does not depend on any construction elements of the project being funded from other sources outside the regional solicitation, excluding the required non-federal match. The project must be a permanent improvement. Temporary construction is defined as work that must be essentially replaced in the immediate future (within 5 years). Staged construction is considered permanent rather than temporary so long as future stages build on, rather than replace, previous work. A project required for traffic management during construction is excluded from this provision.
4. **Eligible Costs** - Generally, for projects that involve the construction of facilities, the TAB will provide CMAQ funds for project construction and materials, right of way, and land acquisition. If CMAQ funds will be used for right-of-way acquisition, the breakdown of federal funding and total costs must be identified in the application.

CMAQ is a part of the Federal-aid Highway Program. Although the program is a “grant” program under Federal regulation, it is not an “up-front” grant program and funds are available **only on a reimbursement basis**. Costs become eligible for reimbursement only after a project has been approved by MnDOT, the TAB/Metropolitan Council, and the FHWA division office. This means project sponsors must incur the cost of the project prior to being repaid. Costs must be incurred after FHWA division office project approval or they are not eligible for reimbursement.

5. **Ineligible Costs** - **TAB will not provide CMAQ funds for study completion, preliminary engineering, design, construction engineering, or other similar costs.** Noise barriers, drainage projects, fences, landscaping, etc., are not eligible for CMAQ funding unless included as part of a larger project which is otherwise eligible. Right-of-way cost is not eligible as a stand-alone proposal, but is eligible when included in a larger construction project. The cost of reconstructing or constructing a replacement bridge deck is eligible but the remainder of the superstructure and all elements of the substructure are not eligible. Projects to improve or replace bridges are solicited separately.
6. **Project Ownership** - The CMAQ program may be used to fund projects/programs that are owned, operated or under the primary control of the public sector, including public/private joint ventures. A state may use CMAQ funds for initiatives that are privately owned and/or operated, including efforts developed and implemented by transportation management associations, as long as the activity is one which:
  - a) normally is a public sector responsibility (such as facility development for enhanced I/M programs in test-only networks);
  - b) private ownership or operation is shown to be cost-effective; and
  - c) the state is responsible for protecting the public interest and public investment inherent in the use of federal funds.
7. **Available funding** - Approximately \$20 million in federal CMAQ funds for 2017 is anticipated to be available.
8. **Project Funding Request** -The maximum of federal CMAQ funding that may be requested is \$7 million per project and may not exceed 80 percent of the total project costs Other federal funds may be combined with the requested CMAQ funds, but the source(s) must be identified in the application. The cost of preparing a project for funding authorization can be substantial. For that reason, the

minimum federal amount for CMAQ projects is \$500,000. CMAQ funds awarded in this project selection process must be matched with non-federal funds. The non-federal match for any CMAQ project must be at least 20 percent of the total cost. The applicant must state that it is responsible for the local (nonfederal) share. If the applicant expects any other agency to provide all or part of the local match, the applicant must include a letter or resolution from the other agency agreeing to participate financially in construction of the project.

9. **Program Year** - Projects selected will be programmed in 2017. **A selected project will be removed from the program if it does not meet its program year.** The program year is July 1st to June 30th of the year in which the project is originally programmed in the Transportation Improvement Program (TIP). Projects may be Advance Constructed and the federal reimbursement will occur in 2017.
10. **Operations and Maintenance** - The FHWA requires that states agree to operate and maintain facilities constructed with federal transportation funds for the useful life of the improvement, and not change the use of any right-of-way acquired without prior approval from the FHWA. TAB has determined that this requirement will be applied to the project applicant. FHWA considers most physical constructions and total reconstructions to have a useful design life of 10 years or more, depending on the nature of the project. Bridge constructions and total reconstructions are considered to have useful lives of 50 years. The useful life of the project will be defined in the inter-agency maintenance agreement that must be prepared and signed prior to project letting.
11. **Civil Rights Requirements** - The federal government has numerous statutes in place (Title VI, Title IX, ADA) to ensure that programs or activities with federal funding or a federal interest are not distributed discriminatorily on the basis of race, national origin, class, or disability. Applicants should consider the distribution of these various populations throughout the metropolitan area when preparing project applications. The Metropolitan Council reserves the right to give preference to applications targeting minority groups.
12. **Confidentiality Notice** - All application materials will become public property as soon as they are submitted to the Metropolitan Council for formal review. Applicants should use caution in including confidential information with application materials.

### III. PROJECT EVALUATION

Metropolitan Council staff will determine project eligibility during the selection process, subject to review by the U.S. Department of Transportation (USDOT). All projects must be consistent with the [Transportation Policy Plan](#) and [Regional Development Framework](#).

**The applicant must show that the project meets all the requirements (see pages 2-4) to be evaluated against other projects.** A set of evaluation criteria is provided below that will be used for project selection. The criteria describe important factors that will be used to assign high/medium/low rating per criteria. The applicant must respond directly to each prioritizing criterion in order for it to be evaluated. Projects will be rated based on how well the response meets the requirements of the evaluation criteria and how well the responses compare to those of other applications.

Members of the TAC Funding and Programming Committee or other designees will evaluate the

applications and recommend a high/medium/low rating for each criterion for each project. The TAC will forward the list of projects with ratings to the TAB. TAB will then recommend a list of projects to be selected and included in the region's Transportation Improvement Program and receive federal 2017 CMAQ funds. TAB then submits the list of recommended projects to the Metropolitan Council for concurrence.

The CMAQ project selection criteria will consist of the follow areas of focus:

1. Regional Significance
2. Usage and Impacts
3. Equity
4. Project Readiness
5. Project costs
6. Emissions Reductions

For additional detail on elements to be included and evaluated under each criterion please see the project application contents on pages 8-9.

## IV. APPLICATION SCHEDULE

<b>Date</b>	<b>Action</b>
March 3	Preliminary Notification Announcing CMAQ Process
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The portion of the schedule after the application deadline may be subject to change.



## V. Application Submission

THE PROJECT APPLICATION SHOULD BE **NO MORE** THAN 10 PAGES, INCLUDING ANY DATA SUMMARIES, TABLES, MAPS, AND OTHER IMAGES. LETTERS OF SUPPORT ARE NOT INCLUDED IN THE 10 PAGE LIMIT.

All materials must be submitted on 8 ½ x 11 inch paper and bounded with a paper clip or black binder clip **and** in electronic format on a CD or flash drive.

Submit application to the Metropolitan Council office:

Attn: Elaine Koutsoukos, TAB Coordinator  
Metropolitan Transportation Services  
Metropolitan Council  
390 North Robert St.  
St. Paul, MN 55101

## VI. Contact Information

For questions about this solicitation, please contact:

Elaine Koutsoukos  
TAB Coordinator  
(651) 602-1717  
[elaine.koutsoukos@metc.state.mn.us](mailto:elaine.koutsoukos@metc.state.mn.us)

ALL PROJECT APPLICATIONS MUST BE **RECEIVED** AT THE METROPOLITAN COUNCIL OFFICE BY **APRIL 11, 2014, AT 4:00 PM.**

## 2017 Congestion Mitigation/Air Quality (CMAQ) Application – Transit Capital

<b>INSTRUCTIONS:</b> Complete and return completed application to the Metropolitan Council. <b>Applications must be <u>received</u> by 4:00 PM at the Metropolitan Council on April 11, 2014.</b>	Office Use Only
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### I. GENERAL INFORMATION

1. APPLICANT:			
2. JURISDICTIONAL AGENCY (IF DIFFERENT):			
3. MAILING ADDRESS:			
CITY:	STATE:	ZIP CODE:	4. COUNTY:
5. CONTACT PERSON:	TITLE:	PHONE NO.(      )	
6. CONTACT E-MAIL ADDRESS:			

### II. PROJECT INFORMATION

7. PROJECT NAME:
8. BRIEF PROJECT DESCRIPTION (Include location, type of improvement, etc.). Include what you will be doing with the funds, (limit description to project scope). :
9. INDICATE PROJECT OR PROGRAM CONSTRUCTION LETTING, COMPLETION, OR FULLY OPERATION DATES:

### III. PROJECT FUNDING

10. Are you applying for funds from another source(s) to implement this project?    Yes <input type="checkbox"/> No <input type="checkbox"/>	
If yes, please identify the source(s):	
11. FEDERAL CMAQ AMOUNT REQUESTED: \$	15. MATCH % OF PROJECT TOTAL: (Minimum of 20%)
12. MATCH AMOUNT: \$	16. PROGRAM YEAR: <input checked="" type="checkbox"/> 2017 ONLY
13. PROJECT TOTAL: \$	17. SIGNATURE:
14. SOURCE OF MATCH FUNDS:	18. TITLE:

## Required Application Contents

Applicants must provide a project description and respond to each of the evaluation criteria. Label responses clearly. If a criterion is not applicable to your project, explain why. Applications may not exceed 10 numbered pages (excluding attached letters of support).

### 1. Project Description

Include a detailed project description (no more than one page) of what you will be doing with the funds. Include location, type of improvement, etc.

### 2. Regional Significance

- A. This criterion addresses how the proposed project integrates with the existing transit infrastructure and the region's transit vision. Describe how the project is consistent with the Transportation Policy Plan (TPP), is specifically included in the TPP, and/or addresses a transportation problem or need identified in the TPP. Provide additional information as necessary to describe how this project is of regional significance.
- B. Identify the population and number of jobs within ½ mile of project
- C. Identify regional job and activity centers that are served or connected to the project (see map of regional job and activity centers, Attachment A, page 10)

### 3. Usage and Impacts of the Project

- A. Describe the total estimated ridership served in opening year of project.
- B. Provide estimated new ridership in opening year of project.
- C. Provide estimate of any expected operating cost savings or increases due to implementation of project.

### 4. Equity

- A. Describe how this project will serve or impact low-income and minority populations
- B. Provide number of low-income and minority population within ½ mile of project
- C. Identify Racially Concentrated Areas of Poverty (RCAP) with direct connections to the projects (see RCAP map – Attachment B, page 11).

### 5. Project Readiness

Applicants must complete the Project Implementation Schedule form (shown on Attachment C, page 12) and provide a detailed project schedule with estimated completion dates. Rating under this criterion will be based on how many steps have been taken toward implementation of the project. These steps reflect a federally-funded project development path. Projects must be implemented in FFY 2017. Projects may be completed using Advanced Construction with pay back in 2017.

## **6. Project Costs**

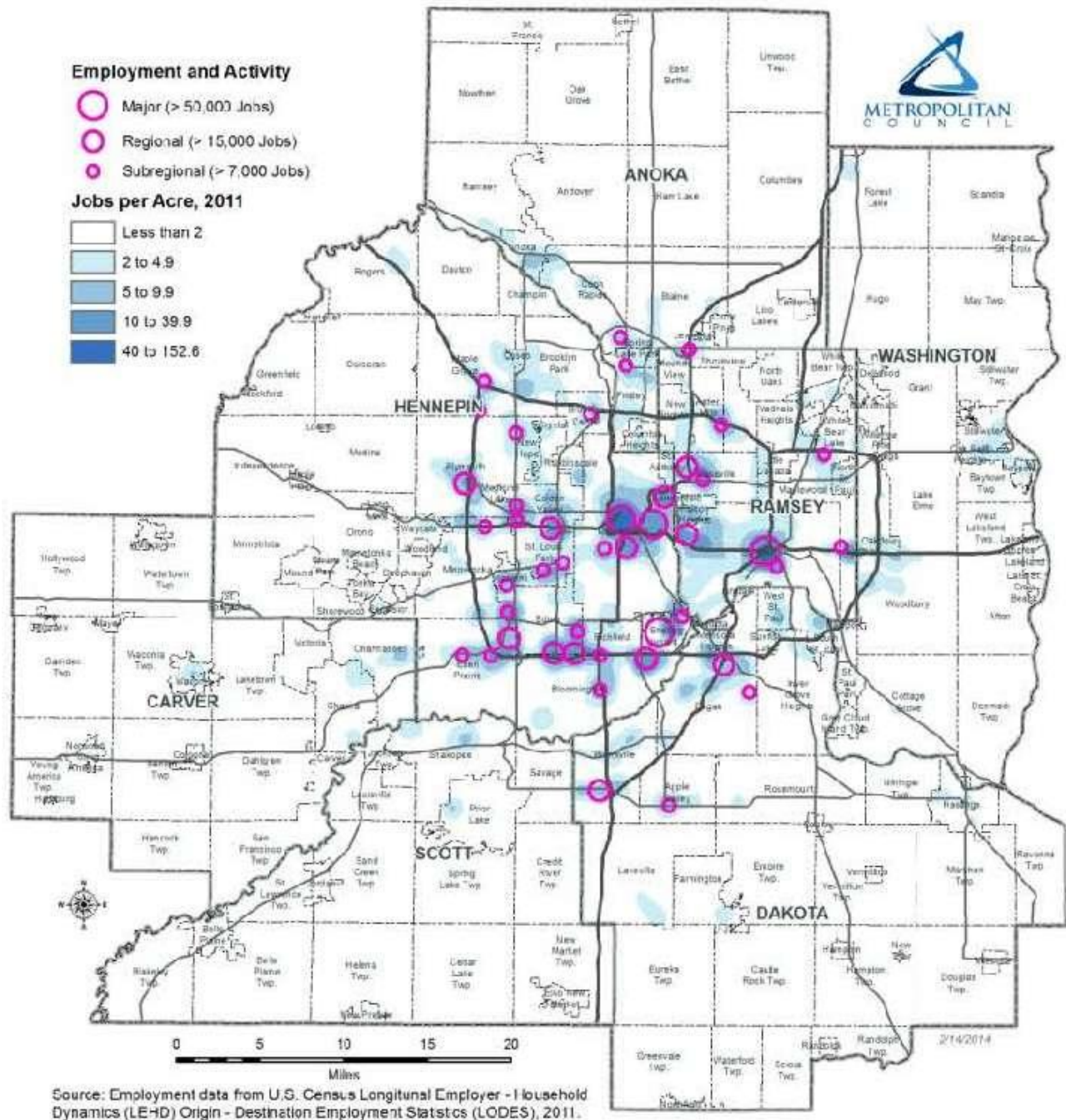
- A. Provide a detailed project budget
- B. Identify the anticipated project costs, funding sources, and calculate the percentage of funding sources. Indicate which funding sources are secured. (CMAQ cannot exceed 80%).

## **7. Emissions Reduction**

The applicant must explain how the project will reduce vehicle miles traveled and provide an estimate of annual VMT reduction, along with an explanation of the methodology.

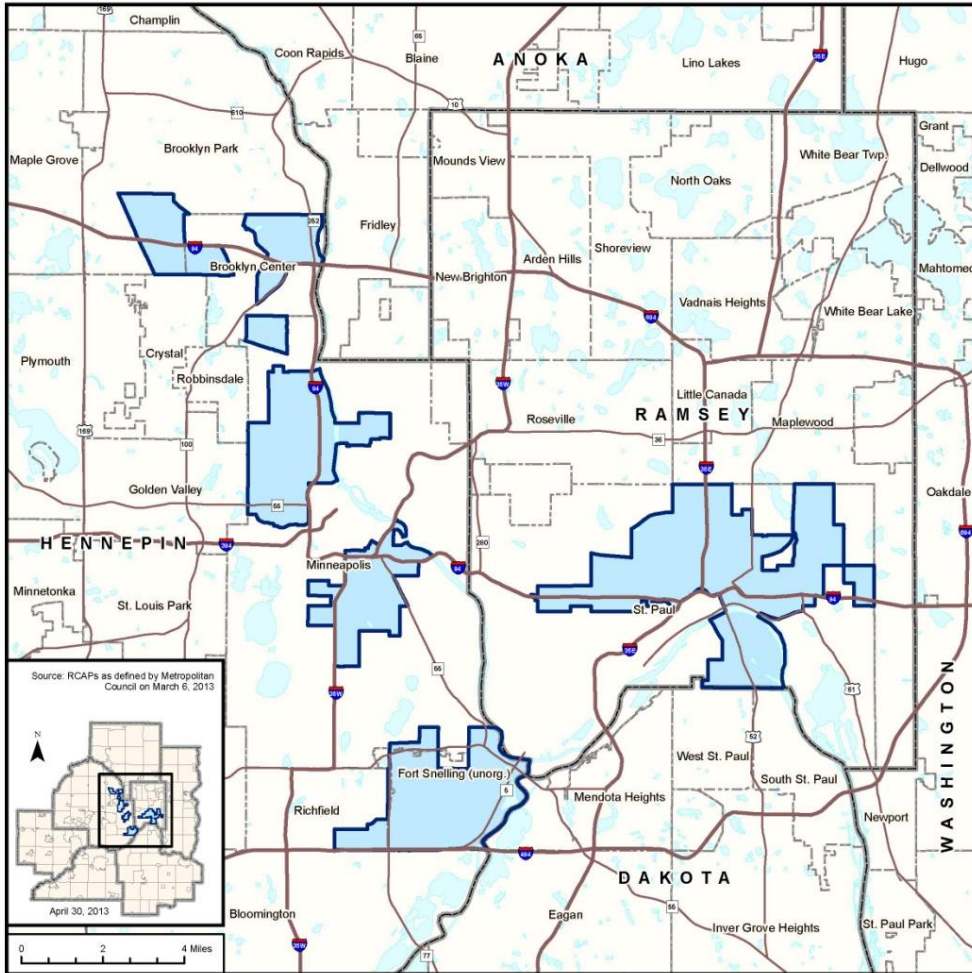
Using the estimated annual reduction in VMT, Metropolitan Council staff will calculate the vehicle emissions reduction.

## Attachment A Regional Job and Activity Centers



## Attachment B Racially Concentrated Areas of Poverty (RCAP)

RCAP (40% or More People at 185% Poverty and 50% or More People of Color)



### RACIALLY CONCENTRATED AREAS OF POVERTY MAP

Racially Concentrated Areas of Poverty (RCAP) are areas where more than 50 percent of the residents are people of color and more than 40 percent of the residents have incomes less than or equal to 185 percent of the Federal poverty line. The region's RCAPs are clustered in its urban core and inner-ring suburbs. Central cities such as Minneapolis and St. Paul and inner suburban areas such as Brooklyn Center, Brooklyn Park, Richfield, and Fort Snelling include census tracts that are RCAPs.

The city of Minneapolis is home to the region's largest number of RCAP tracts. Of the 38 RCAP tracts located in Minneapolis, 20 of them are in North Minneapolis while the rest are in South Minneapolis. Suburban areas such as Brooklyn Park and Brooklyn Center include three and two contiguous RCAP tracts, respectively.

Saint Paul has the region's largest contiguous RCAP, which extends over 33 census tracts. These tracts cover neighborhoods such as East Saint Paul, Dayton's Bluff, Payne-Phalen, North End, West Side and areas around the eastern part of the University corridor. The area around Fort Snelling also has an RCAP area with four contiguous census tracts, two of which are located in Richfield, one in Fort Snelling and the other one partially in Fort Snelling and partially in Minneapolis.



## Attachment C Project Implementation Schedule (REQUIRED for ALL applications)

Please check those that apply and fill in anticipated completion dates

**1) Project Scope**

- Stakeholders have been identified
- Meetings or contacts with Stakeholders have occurred

**2) Layout or Preliminary Plan**

- Layout or Preliminary Plan started
  - Layout or Preliminary Plan completed
- Anticipated date or date of completion: \_\_\_\_\_

**3) Environmental Documentation**

- EIS    EA    PM
- Document Status
- Document not started
  - Document in progress; environmental impacts identified
  - Document submitted to State Aid for review (date submitted: \_\_\_\_\_)
  - Document approved (include copy of signed cover sheet)
- Anticipated date or date of completion/approval: \_\_\_\_\_

**4) Right-of-Way**

- No right-of-way or easements required
  - Right-of-way or easements required, parcels not identified
  - Right-of-way or easements required, parcels identified
  - Right-of-way or easements required, appraisals made
  - Right-of-way or easements required, offers made
  - Right-of-way or easements has/have been acquired
- Anticipated date or date of acquisition \_\_\_\_\_

**5) Railroad Involvement**

- No railroad involvement on project
  - Railroad Right-of-Way Agreement required; negotiations not begun
  - Railroad Right-of-Way Agreement required; negotiations have begun
  - Railroad Right-of-Way Agreement required; Agreement has been initiated
  - Railroad Right-of-Way Agreement is executed (include signature page)
- Anticipated date or date of executed Agreement \_\_\_\_\_

**6) Construction Documents/Plan**

- Construction plans have not been started
  - Construction plans in progress; at least 30% completion
  - Construction plans submitted to State Aid for review
  - Construction plans completed/approved (include signed title sheet)
- Anticipated date or date of completion: \_\_\_\_\_

**7) Letting**

Anticipated Letting Date: \_\_\_\_\_