

**Transportation Advisory Board**  
of the Metropolitan Council of the Twin Cities

---

**INFORMATION ITEM**

**DATE:** April 28, 2021  
**TO:** TAC Funding and Programming Committee  
**PREPARED BY:** Joe Barbeau, Senior Planner (651-602-1705)  
 Steve Peterson, Manager of Highway Planning and TAC/TAB Process (651-602-1819)  
 Elaine Koutsoukos, TAB Coordinator (651-602-1717)  
**SUBJECT:** 2022 Regional Solicitation: Funding Categories and Funding Ranges

Feedback collected during and following the 2020 Regional Solicitation points to several potential improvements to the process. For committee discussion, the below table shows the funding categories and federal maximum and minimum amounts established for the 2020 Regional Solicitation.

**Table 1: Application Categories and Federal Maximum and Minimum Awards**

Modal Application Categories	Minimum Federal Award	Maximum Federal Award
<b>Roadways Including Multimodal Elements</b>		
• Traffic Management Technologies (Roadway System Management)	\$250,000	\$3,500,000
• Spot Mobility and Safety	\$1,000,000	\$3,500,000
• Strategic Capacity (Roadway Expansion)	\$1,000,000	\$10,000,000
• Roadway Reconstruction/ Modernization	\$1,000,000	\$7,000,000
• Bridge Rehabilitation/Replacement	\$1,000,000	\$7,000,000
<b>Transit and TDM Projects</b>		
• Arterial Bus Rapid Transit Project	N/A	\$25,000,000
• Transit Expansion	\$500,000	\$7,000,000
• Transit Modernization	\$500,000	\$7,000,000
• Travel Demand Management (TDM)	\$100,000	\$500,000
<b>Bicycle and Pedestrian Facilities</b>		
• Multiuse Trails and Bicycle Facilities	\$250,000	\$5,500,000
• Pedestrian Facilities	\$250,000	\$1,000,000
• Safe Routes to School (Infrastructure Projects)	\$250,000	\$1,000,000

**Federal Minimum and Maximum Awards**

The maximum federal funding amounts exist primarily to enable the spread of funds to a larger number of projects. The minimum federal amounts exist primarily to prevent the inefficient use of federal funding as small projects can be overburdened by federal requirements and the extra costs associated therein. The setting of maximum and minimum awards can also impact the

number and geographic spread of funded projects. Increased maximum and minimum awards could reduce the number of funded projects.

#### Minimum Federal Awards

Some minimum federal award amounts changed marginally from 2018 to 2020, including increasing the minimum amount in Transit Modernization from \$100,000 to \$500,000.

Recent discussion at TAC has suggested that the funding of 56 smaller projects is not as impactful or efficient as funding a smaller number of larger projects. Increasing the minimum award is one way to address this concern. This would be most impactful in the three bicycle and pedestrian categories, which saw six projects under \$500,000 funded in 2020. These small projects expanded the geographic spread of the program, as they are located in Columbia Heights, Mahtomedi, Grant Township (Washington Co.), Inver Grove Heights, Oakdale, and Burnsville.

One potential opportunity area would be to increase Multiuse Trails and Bicycle Facilities minimum award from \$250,000 to \$500,000.

There was also one small project funded in Transit Modernization, in Chaska.

In roadways, increasing the Traffic Management Technologies minimum award from \$250,000 to \$1,000,000 may be considered by the committees (there were no applications submitted in this category below \$1,000,000 in 2020). This potential change would make Traffic Management Technologies and Spot Mobility and Safety the same in terms of minimum and maximum awards.

Funding & Programming Discussion: Members are open to the idea of increasing the minimum federal funding amount for Traffic Management Technologies from \$250,000 to \$1 million, particularly given that applications tend to be at least \$1 million. Members were also open to the idea of raising the minimum for the Multiuse Trails and Bicycle Facilities to \$500,000 even though one project from the category was funded for lower than that in 2020. Members did not favor increasing the minimum amount for Safe Routes to School since these tend to be smaller projects and a way to include cities in the funding process as applicants.

#### Maximum Federal Awards

Among previously established funding categories, only two maximum federal award amounts were changed from 2018 to 2020. The Traffic Management Technologies maximum award was reduced from \$7M to \$3.5M and the Strategic Capacity maximum award was increased from \$7M to \$10M. The rationale for the latter is that project costs are increasing. It can be difficult to generate local funds, along with several other competitive sources, needed for the match in order to deliver these regional projects (mostly new interchanges). With project costs exceeding \$30M for a new interchange, the increase to \$10M was intended to pay for about one-third of the total project cost. Of the 17 applications submitted in the Strategic Capacity category in 2020, 11 were for amounts higher than the previous \$7M maximum, including seven at the full \$10M. All seven funded projects requested<sup>1</sup> more than that, including six at the full \$10M.

Funding & Programming Discussion: While some members discussed the impact that the \$10 million federal maximum for Strategic Capacity had on the categorical balance in 2020, the preferred solution appeared to be increasing the maximum in Roadway Reconstruction/

---

<sup>1</sup> Two projects were awarded \$7M; partial funding to enable additional geographic balance.

Modernization to \$10 million as opposed to bringing the Strategic Capacity maximum back to \$7 million.

### **Potential Changes to Categories**

Most of the application categories listed in Table 1 have been established for several Regional Solicitation cycles, though the Arterial Bus Rapid Transit and Spot Mobility and Safety categories were new in 2020. Additionally, the 2020 Regional Solicitation brought in a Unique Projects category, to be awarded in 2022.

#### Bicycle and Pedestrian Bridges and Underpasses

Following the 2020 Regional Solicitation, concern was expressed that that bicycle and pedestrian grade separations (bridges or underpasses) are eligible in at least four different categories; the three bicycle/pedestrian categories, along with Transit Modernization. This leads to confusion about which category(ies) these projects should be part of each funding cycle. In the case of Transit Modernization, a proposed project needs to have a viable transit-related use to be eligible. In 2020, two overpass projects were applied for connecting Red Line stations on either side of Cedar Avenue. Such a project could be used generally by non-motorized users along with Red Line riders likely to need to cross the street either prior to the morning ride or following the evening ride. Note that neither project was funded.

How many were funded? In the 2020 Regional Solicitation, trail grade separation projects dominated neither scoring nor the number of applications submitted, as summarized by category:

- Multiuse Trails and Bicycle Facilities: 15 projects included grade separations. They ranked 5, 9, 10, 12, 16, 19, 21, 21, 23, 26, 27, 29, 32, 33, 35, and 36.
- Pedestrian Facilities: one bridge application, ranked 6 out of 8. One project funded.
- Safe Routes to School: one bridge application, ranked 3 out of 6. One project funded
- Transit Modernization: two bridge applications, ranked 3 and 5 out of 9. No projects funded. Both projects were skipped for funding due to \$7 million BRT maximum being reached.

#### *Possible Solutions*

- No change.
  - TAB is funding some, but not all of the submitted projects, so no change is needed.
- Tell applicants to apply for these projects in the Multiuse Trail category only, given that the higher maximum award of \$5.5M is more conducive to this more expensive project type.
- Create a new funding category for bicycle and pedestrian grade separations. This could separate these projects from other projects. Consideration would need to be given to whether this would replace another category and, eventually, how much funding to provide to grade separation projects versus other projects. In establishment of a potential funding category, consideration would have to be given to defining a “grade separation” project. Some applications are for expensive bridges while others include a small grade separation along a lengthy corridor project.

Funding & Programming Discussion: Members did not express interest in changes to any categories.