



# Active Transportation Working Group

TAC Update



April 3, 2024

# TAB Active Transportation Working Group

## Working Group Overview

Made up of TAB members and technical staff

- TAB reps
- Technical staff (TAC, TAC F&P, Ped/Bike Work Group)

Role is to develop recommendations for new Active Transportation (AT) regional funding

- 5% of new sales tax revenue to TAB for AT \$ (est. \$24M/year)
- Meet and implement legislative language (7 requirements)
- Develop options for solicitation, evaluation and prioritization of projects
  - Recommending 2024 funding option
  - Considering 2025 AT solicitation
  - Considering ongoing AT solicitation process



# Regional AT Legislative Language

## Relevant Session Law Language

- (a) Sales tax revenue allocated to the Transportation Advisory Board under subdivision 2, clause (1), is for grants to support active transportation within the metropolitan area.*
- (b) The Transportation Advisory Board must establish eligibility requirements and a selection process to provide the grant awards. The process must include: solicitation; evaluation and prioritization, including technical review, scoring, and ranking; project selection; and award of funds. To the extent practicable and subject to paragraph (c), the process must align with procedures and requirements established for allocation of other sources of funds.*
- (c) The selection process must include criteria and prioritization of projects based on:*
- (1) the project's inclusion in a municipal or regional nonmotorized transportation system plan;*
  - (2) the extent to which policies or practices of the political subdivision encourage and promote complete streets planning, design, and construction;*
  - (3) the extent to which the project supports connections between communities and to key destinations within a community;*
  - (4) identified barriers or deficiencies in the nonmotorized transportation system;*
  - (5) identified safety or health benefits;*
  - (6) geographic equity in project benefits, with an emphasis on communities that are historically and currently underrepresented in local or regional planning; and*
  - (7) the ability of a grantee to maintain the active transportation infrastructure following project completion.*



# Work Group Recommendations Under Consideration

## Near-Term/2024

- New sales tax revenue accumulating since October 2023
- Up to \$15M to be allocated for 2024 Solicitation projects
  - 65 bike/pedestrian applications requesting \$160M
  - Federal modal funding ranges - ~\$30M-~\$40M

**And/or**

## Interim/2025

- Opportunity to pilot off-year AT specific solicitation in 2025
- One-off program to distribute available AT funds to projects that could begin before 2030
- Would need to build specific solicitation from ground up

**And**

## Ongoing/2026 & on

- Establish process for long term program 2026 and beyond
- Regional Solicitation Evaluation is ongoing and should consider how to align and coordinate distribution of regional and federal funds for Active Transportation
- 2026 Solicitation will award for program years 2030 and 2031

# 2024 AT Funding Options Considered



## Total Funding and Options to Consider

Projected Active Transportation Sales Tax Revenues:

| 2023/2024 | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2023-2030 Total |
|-----------|--------|--------|--------|--------|--------|--------|-----------------|
| \$28 M    | \$24 M | \$24 M | \$24 M | \$24 M | \$24 M | \$24 M | \$172 M         |

### Overview of options for funds:

- (2024) Option 1: No AT funds in 2024, include revenue in later solicitations
- (2024) Option 2: Fund 2024 Selected Bike/Ped Projects that Requested \$2M or Less
- ~~(2024) Option 3: Fund 20% Non-Federal Share of Selected Bike/Ped Projects in 2024 Solicitation up to Max Award Amount~~

Sales tax revenue received in 2023 (Oct-Dec) for Active Transportation - \$5 million

# 2024 Option 2 Pros/Cons



## 2024 Reg Sol: Bike/Ped Projects that Requested \$2M or Less

| 2024         | 2025        | 2026                                 | 2027 | 2028 | 2029 | 2030 |
|--------------|-------------|--------------------------------------|------|------|------|------|
| Solicitation | Project Dev | \$10M-\$15M, mostly in 2026 and 2027 |      |      |      |      |

\*Note: Could use up to \$28M ('23+'24 revenue), \$10M-\$15M is based on modal funding ranges and federal funding available.

### Pros:

- Defederalizes small AT projects with only regional money.
- Allows for grant management pilot.
- Starts spending the quickest of options with spending in 25-26.
- Provides funding for more AT projects now.
  - 65 bike/ped projects submitted requesting \$160M.
- Existing application mostly meets 7 required elements.

### Cons:

- Applicants not aware that additional AT funds would be available for this cycle.
- Require follow up and additional information from applicants.

# 2024 Funding Details



## Details for Funding 2024 RS Projects

**Will not be able to fund all of the 65 submitted AT projects**

- Estimated total of \$28 million regional AT funding to be collected by end of 2024.

**Need to set total funding and project cap for grants management pilot**

- To build up internal capacity, limit total funds to up to \$15M and subsequently limit total number of projects.

**Eligible projects to receive funding**

- Small projects (AT projects with a funding request of \$2M or below).
- Earliest projects (Regional Solicitation application includes option to indicate earlier start dates).
  - 2025 or 2026 construction start.
- Projects that meet all legislative requirements.
  - High ranking projects which do not meet all requirements may still be funded with federal funds.

**Pilot Project**

- Details determined for this one-time process do not need to be carried over into future solicitations.
- Learning experience, will report back on lessons learned.

**Regional Solicitation Project requirements**

- Overall regional solicitation requirements (local match, eligibility of project costs, program year, scope change process, etc.) will remain for this round

# 2024 Funding Option Recommendation



## The Working Group voted on the following motion:

1. To distribute up to \$15 million in regional sales tax funds for Regional Solicitation Active Transportation projects.
2. To select at least one project from each active transportation category in the Regional Solicitation (Multiuse Trails, Pedestrian and Safe Routes to School).
3. To select from smaller projects which requested \$2M or less of funding.
4. To select from projects which can begin their projects early, either in calendar year 2025 or 2026. Projects must begin construction by the end of calendar year 2026.
5. To select projects that can meet the all seven legislative requirements.
6. That the highest scoring Regional Solicitation applications will receive priority for Active Transportation funding.
7. That selected projects will be required to still meet the 20% local match for Regional Solicitation projects.

**All members voted in favor to send recommendation for TAB consideration**



# Next Steps



TAB to consider working group 2024 funding recommendation in April. If there is general consensus on moving forward with a pilot, then staff will include AT funding in all funding scenarios.

- AT funding will be voted on separately from federal funding
- Formal decision making on the selection of specific AT projects will move through the full TAB/TAC process

The AT Working Group will discuss future solicitation details throughout 2024 and 2025, including whether to do a 2025 Solicitation (might be for two years of funding or \$48M)

- Future solicitation recommendations will move through full TAB/TAC process



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