

## Attachment 1



Resolution 24-5415

# 2028-2030 Regional Flexible Fund Allocation program direction

June 2024

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## INTRODUCTION

As the federally designated Metropolitan Planning Organization (MPO) for the greater Portland, Oregon area, Metro is responsible for allocating and administering federal transportation dollars. Every three years, Metro conducts a process to select specific investments to make in the region's transportation system with these dollars. This process is known as the Regional Flexible Funds Allocation (RFFA). Allocating these funds is one of several activities required of MPOs, others being the development of the Regional Transportation Plan (RTP), the Metropolitan Transportation Improvement Program (MTIP), and the Unified Planning Work Plan (UPWP).

As part of the RFFA process, the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council consider how the available funding can be used strategically to address needs identified through the RTP. The RTP establishes the vision, goals, and objectives for the Portland region's transportation system, as well as defines performance measures and an investment strategy to ensure progress is made towards creating the envisioned system. In particular, the RTP provides the policy framework to guide how specific sources of transportation funds should be coordinated in order to invest in all parts of the planned system.

JPACT and Metro Council adopted the most recent update of the RTP at the end of 2023. In the time spent developing the 2023 RTP, an extensive two-year outreach process resulted in nearly multiple touch points with community leaders, elected officials, racial justice advocates, business leaders, community organizations, and federal and state agency partners.

Through this work with the community and policymakers, the region reaffirmed the need to continue near-term capital and program investments to advance the previous RTP goals of : Equitable Transportation, Safe System, Climate Action and Resiliency, and Mobility Options.<sup>1</sup> In addition, a fifth goal area was added to the 2023 RTP focusing on Thriving Economy. These five goals directs how funding is to be prioritized through the 2028-2030 RFFA.

Along with adopting the 2023 RTP, JPACT and Metro Council also adopted a new model strategy for High Capacity Transit. The updated High Capacity Transit strategy more fully articulates the multi-modal regional transportation system and investments needed to improve the existing system, and complement the Regional Transportation Safety Strategy (2018), Region Transit Strategy (2018), Regional Freight Strategy (2018), Emerging Technology Strategy (2018), Regional Travel Options Strategy (2018), Regional Active Transportation Plan (2014), Climate Smart Strategy (2014) and Regional Transportation System Management and Operations (2021). Collectively, these planning policy documents provide guidance for how the region can thoughtfully direct funding through the RFFA process to advance the five goals outlined in the 2023 RTP.

The 2028-2030 RFFA Program Direction builds upon previous RFFA policy established by JPACT and Metro Council. It has been updated to align with new regional policy from the 2023 RTP and the supportive modal and topical strategies, specifically focusing on the five goals noted above. It continues the two-step funding approach adopted in 2011 for the 2014-2015 allocation cycle, which directs funding towards region-wide investments and supports construction of capital projects in specific focus areas.

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<sup>1</sup> Metro Ordinance 23-1496



Funding allocated in Step 1 represents the region’s ongoing commitments to fund portions of the transportation system that are critical to following through on RTP-identified goals and objectives. Step 1 is represented by two components: Step 1A represents the region’s commitment to repay bonds used to build portions of the region’s transit system; Step 1B represents investments to support transportation programs and planning activities coordinated region-wide. These programs and planning activities advance federal, state, and regional requirements for building a multi-modal transportation system, meeting federal air quality regulations, and reducing greenhouse gas emissions from vehicles, per mandates from the state.

Funding allocated in Step 2 is for local capital projects with regional impacts. After significant deliberation, the allocation of Step 2 Regional Flexible Funds updates to the Step 2 framework, maintaining the single capital projects category and focuses on projects that improve the system in multiple ways, which was first utilized in the 2025-2027 RFFA cycle.

## 2023 REGIONAL TRANSPORTATION PLAN GOALS

The 2023 RTP serves as the blueprint for the regional transportation system for the next 25 years. It identifies on five interconnected goals – equitable transportation, climate action and resilience, safe system, mobility options, and thriving economy – in which 17 supporting objectives and 16 performance measures and targets define and measures progress towards the region’s aspirational system.

The 2023 RTP goals, objectives, and performance measures provide the policy directives for the 2028-2030 RFFA in shaping the process, setting key objectives for the allocation, establishing project eligibility and selection criteria.

2023 RTP Chapter 2 lays out this vision and includes 16 system performance measures to provide a basis for measuring expected performance of the plan in the long-term. Chapter 3 provides specific policy direction and priorities to guide investments to demonstrate the region’s actions are following its commitments and demonstrate progress towards the Plan’s implementation. The Plan’s priorities for investment to achieve the five interconnected goals of the RTP are outlined in Chapter 6. In taking the policy and plan direction from the RTP, projects funded through the 2028-2030 RFFA are to align with the RTP prioritization of investments identified in Chapter 6.2.

The aim is at the end of the 2028-2030 RFFA process, the allocation of the approximate \$150 million available in Regional Flexible Funds meets the objectives, policy directives, and investment prioritization of the RTP.

The RTP goals emerged from a multiyear discussion and identification of the region’s most urgent transportation needs by regional policymakers. They guided the development and refinement of the 2023 RTP projects and programs financially constrained list and reflect direction from JPACT and Metro Council to prioritize near-term investments to address these priorities.

The five RTP Goals are:

- **Equitable Transportation:** Transportation system disparities experienced by Black, Indigenous and people of color and people with low incomes, are eliminated. The disproportionate barriers people of color, people with low incomes, people with disabilities, older adults, youth and other marginalized communities face in meeting their travel needs are removed.

- **Safe System:** Traffic deaths and serious crashes are eliminated and all people are safe and secure when traveling in the region.
- **Climate Action and Resilience:** People, communities and ecosystems are protected, healthier and more resilient and carbon emissions and other pollution are substantially reduced as more people travel by transit, walking and bicycling and people travel shorter distances to get where they need to go.
- **Mobility Options:** People and businesses can reach the jobs, goods, services and opportunities they need by well-connected, low-carbon travel options that are safe, affordable, convenient, reliable, efficient, accessible, and welcoming.
- **Thriving Economy:** Centers, ports, industrial areas, employment areas and other regional destinations are accessible through a variety of multimodal connections that help people, communities, and businesses thrive and prosper.

## STRATEGIC REGIONAL FUNDING APPROACH (INTERIM)

Since May 2009, the region has followed a strategic regional funding approach to direct how the transportation needs of the region are to be addressed by existing or potential transportation funding sources. JPACT developed this regional funding approach to provide a starting point for the various funding programs or sources that are addressed in the MTIP and State Transportation Improvement Program (STIP).

The strategic approach identifies funding mechanisms agencies use and a regional strategy for sources to be pursued to address unmet needs of the different elements of transportation system in the region. Utilized in the development of RFFA policies since the 2010-2013 MTIP cycle, the strategic approach is updated as needed to reflect current funding sources and planning policy. Additionally, as other available funding opportunities emerged since the 2010-2013 MTIP cycle, the strategic regional funding approach serves as a starting point for informing a regionally coordinated set of priorities to pursue those other funding opportunities. Recognizing the strategic regional funding approach has influenced the development of a coordinated regional list of capital investment priorities, tailored to the context of the funding opportunity – such as the 2020 regional transportation funding measure and the congressional request of regional priorities for appropriations earmarks – the 2028-2030 RFFA Program Direction follows the core principles of the strategic regional funding approach.<sup>23</sup>

Uses for regional flexible funds, as defined in the strategic regional funding approach include:<sup>4</sup>

- Active Transportation
- Arterial Expansion, Improvements, and Reconstruction<sup>5</sup>
- Throughway Expansion<sup>6</sup>
- High-capacity Transit Expansion
- Transportation System Management and Operations
- Regional Travel Options
- Transit Oriented Development

## REGIONAL FLEXIBLE FUNDS ALLOCATION OBJECTIVES

In addition to directives from the Regional Transportation Plan and the strategic regional funding approach, the Regional Flexible Funds is obligated to meet necessary federal eligibility and administrative requirements, as they are fully comprised of federal surface transportation funds. Additionally state mandates, particularly centered around greenhouse gas emissions reduction and improving air quality also provide direction on the use of Regional Flexible Funds. As a result, the

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<sup>2</sup> See Metro Council Resolution 16-4702.

<sup>3</sup> The strategic regional funding approach remains an interim approach as JPACT and the Metro Council begin discussions pertaining to transportation funding and revenues throughout 2024 with the intent of developing a set of transportation funding priorities.

<sup>4</sup> Most recent strategic regional transportation funding approach is from the 2027-2030 MTIP program direction.

<sup>5</sup> Limited to arterial freight facilities for ITS, small capital projects, and project development.

<sup>6</sup> Limited to project development with large discretionary funding leverage opportunities to address multiple transportation issues around the mainline facilities, focusing on the multi-modal portions of these projects that are on the regional arterial network adjacent to the freeway interchange.



following objectives define how to conduct the RFFA process and define what outcomes to achieve with the overall allocation process to meet all necessary requirements.

1. Select projects from throughout the region; however, consistent with federal rules, there is no sub-allocation formula or commitment to a particular distribution of funds to any sub-area of the region.
  - a. To further support selecting projects from throughout the region, those projects awarded construction funding in Step 2 in the 2025-2027 cycle are ineligible to apply for funds in the 2028-2030 cycle.
2. Honor previous funding commitments made by JPACT and the Metro Council.
3. Address air quality requirements by ensuring State Implementation Plan for air quality requirements are met and that an adequate pool of CMAQ-eligible projects is available for funding.
4. Achieve multiple transportation policy objectives.
5. Allow use of funding for project development and local match of large-scale projects (greater than \$10 million) that compete well in addressing policy objectives when there is a strong potential to leverage other sources of discretionary funding.
6. Encourage the application of projects that efficiently and cost-effectively make use of federal funds.
7. Recognize the difference in transportation infrastructure investment needs relative to an areas stage of development (developed, developing, undeveloped) consistent with RTP Table 3-2.
8. Identify project delivery performance issues that may impact ability to complete a project on time and on budget.
  - a. Which may lead to different recommendations from the project delivery risks assessment that play a role in awarding funding and conditions of approval.
9. Identify opportunities for leveraging, coordinating, and collaboration.

Per RTP Equitable Transportation Policy 7 (Table 3.2.2.3), projects and programs funded through the RFFA should demonstrate support of family-wage job opportunities and a diverse construction workforce through inclusive hiring practices and contracting opportunities for investments in the transportation system.

**2028-2030 REGIONAL FLEXIBLE FUNDS STRUCTURE**

The 2028-2030 RFFA follows the two-step framework the region has followed starting with the 2014-2015 allocation process. This framework was adopted to ensure the region is investing in the system in accordance with RTP direction and the RFFA objectives.

A total of \$153 million is projected to be allocated in the 2028-2030 federal fiscal years. Funding amounts for each of the funding areas is as shown in Table 2 below.

**Table 2: Total 2025-2027 Regional Flexible Funds**

<b>Step 1A:</b> Transit & Project Development Bond Repayment Commitment	\$51.78 million
<b>Step 1A:</b> New Bond Commitment (pending approval)	\$ TBD

<b>Step 1B: Region-wide Program Investments, Planning</b>	<b>\$40,557,783</b>
<b>Step 2: Capital Investments</b>	<b>\$ TBD based Step 1A New bond commitment</b>
<b>Total 2028-2030 RFFA</b>	<b>\$153 million</b> (estimate as of spring 2024)

Step 1 consists of two funding focus areas. Step 1A repays bonds issued to develop and construct key elements of the region’s multi-modal system, with particular emphasis on the transit network. Step 1B targets funding towards key system investment needs and ensures the region has capacity to follow federal planning requirements and can respond to and plan for future system opportunities. The region is interested in pursuing a new project bond for Step 1A for the 2028-2030 RFFA cycle. Further described in the following section, the nature of the new project bond will determine the final amounts allocated between Step 1A and Step 2. The allocation for Step 1B remains.

Step 2 provides capital project funding to develop and construct improvements to the regional system. The focus of these project funds is on completing gaps or improving the active transportation system, address crashes and safety hazards, and making strategic improvements to support a healthy economy

#### **Step 1A – Bond Repayment Commitments**



Regional flexible funds have been used to help construct the region’s high-capacity transit system. Since 1998, TriMet has issued bonds to pay for project development and capital construction costs of high-capacity transit line construction, based on a regional commitment of flexible funds to repay the bonded debt. The region’s current obligation to repay bond debt extends to 2034. This bond obligation covers investments in Green, Orange, and Southwest Corridor MAX lines, Division Transit Project, and the Eastside Streetcar Loop.

In the 2019-2021 RFFA process, JPACT and Metro Council directed regional funding to be used to develop a selected package of improvements to address regional active transportation needs, and freeway interchanges or arterials that were identified as significant system deficiencies, particularly in the areas of safety and freight delay. This decision was in advance of the

Oregon State Legislature adopting House Bill 2017, which placed further investment statewide in the transportation network.

Regional flexible funds were used in a manner consistent with the Regional Transportation Finance Approach that targets these funds to the connecting arterial portions of freeway interchange projects and Active Transportation projects. For projects coordinated with freeway mainline and associated interchange elements, flexible funds were invested as a part of a multi-agency approach to addressing multiple transportation issues around the mainline facilities and focused on the multi-modal portions of these projects that are on the regional arterial network adjacent to the freeway interchange.

The past decisions on the Regional Flexible Fund Allocation committed future Regional Flexible Fund dollars to project bond repayment in effort to advance financial resources to delivery larger capital projects earlier and capitalize on federal funding opportunities. As a result, the region remains committed to bond repayment through 2034 for transit and project development are shown below in Table 3. Pending funding to be allocated in the 2028-2030 RFFA cycle is highlighted in blue.

**Table 3: Regional bond repayment commitment schedule**

<b>Federal Fiscal year</b>	<b>Amount (millions)</b>
<b>2025</b>	\$21.78*
<b>2026</b>	\$21.76*
<b>2027</b>	\$21.74*
<b>2028</b>	\$17.28
<b>2029</b>	\$17.26
<b>2030</b>	\$17.24
<b>2031</b>	\$17.22
<b>2032</b>	\$17.19
<b>2033</b>	\$17.17
<b>2034</b>	\$17.15

*\* Amount due in each of the three years of the 28-30 RFFA cycle*

For the 2028-2030 timeframe, the region's scheduled bond repayments are \$51.78 million in total. This is a decrease from the 2025-2027 RFFA timeframe where the total scheduled bond repayments are \$65.28 million. The net difference between the two RFFA cycles is \$13.5 million newly unencumbered towards project bond repayments.

Recognizing the transportation needs of the region, the increased funding capacity starting in 2028 opened a discussion as to whether the region should consider a new project bond commitment of Regional Flexible Funds to implement regional or corridor scale projects to advance Regional Transportation Plan goals and outcomes. Over the course of the 2028-2030 RFFA program direction development, input and feedback from regional partners indicated a desire to pursue a new project bond in exchange for committing future Regional Flexible Funds. However, regional partners also expressed caution as committing future funding provides less flexibility in latter cycles to invest into emerging transportation needs. To address this feedback and additional

direction, the purpose and principles was developed as described in Table 4. The development of the list of projects and programs to receive bond proceeds are set to be developed in parallel with the Step 2 process. A proposal to identify and select candidate projects for the new project bond will come forward with regional partners after the adoption of the 2028-2030 RFFA program direction.

**Table 4. Purpose, Principles, and Project Category Themes for a New Project Bond (beginning the 2028-2030 Regional Flexible Fund Allocation)**

<b>Purpose</b>	A method to utilize regional revenues on regional or corridor scale projects.
	Advance the ability to construct projects earlier than would otherwise be possible.
	Leverage significant discretionary revenue that will otherwise be allocated to other metropolitan areas.
	Continuing the past practice to use bonded RFFA revenues to advance transportation projects that improve equitable access to jobs and services, reduce climate impacts, and improve safe travel on the transportation system.
<b>Principles</b>	The allocation of a new project bond proceeds to regional projects is made in consideration of other transportation spending in the region by other agencies and the Metro allocation of Carbon Reduction Program funds.
	<ul style="list-style-type: none"> <li>• The new project bond size is to be guided by: <ul style="list-style-type: none"> <li>- Ability of future revenues to maintain support of the primary elements of the Regional Flexible Fund, which include: <ul style="list-style-type: none"> <li>▪ Contributions to the development and implementation of regional or corridor-scale projects of high impact on priority regional outcomes (Step 1A)</li> <li>▪ On-going support for programmatic regional transportation investments (Step 1B)</li> <li>▪ Support for local capital projects that are impactful on regional outcomes (Step 2)</li> </ul> </li> <li>- Attempts to maintain prior funding levels of existing Step 1B programmatic allocations and Step 2 capital project funding (with the previously established 3% annual growth rate for both) for forecasted revenues in 2028-2030.</li> <li>- Keeps a debt payment to forecasted revenue ratio at a level that minimizes the risks of severe reductions to other Step 1B programmatic investments and Step 2 capital projects in the case of revenues being less than forecasted in all future years impacted by the bonding.</li> <li>- Attempts to contain extension of bond commitment beyond the next four RFFA cycles (through the year 2039) to preserve the ability of future JPACT and Metro Council bodies the ability to direct spending to priority projects and to minimize risk to the agency guaranteeing the bonding of these revenues.</li> </ul> </li> </ul>
	The projects identified for a new project bond proceeds are a reasonable trade-off between the advantages of funding priority projects earlier than

	would otherwise be possible with the reduction in purchasing authority for future allocation cycles.
	The identified projects significantly and comprehensively advance the RTP goals of safe system, equitable transportation, mobility options, thriving economy, and climate action and resilience.
	Leverages significant discretionary federal and state and/or local funding, including support for a pipeline of Federal Transit Administration (FTA) Capital Investment Grant projects.
	Candidate projects proposed with bond proceeds for construction activities are well advanced through project development activities and have an achievable funding strategy to complete the project.
	The list of identified projects for bond proceeds is made available for public comment during the 2028-2030 RFFA cycle comment and decision period.

Furthermore, to achieve and implement the purpose and principles described above, regional and/or corridor-scale projects to be supported through the new project bond must be one or more of the following project types:

- Capital Investment Grants (CIG) projects or transit projects leveraging other federal funding
  - Regional contribution to funding plans of existing priority projects
  - Next Corridor funding
- First/last mile transit investments
  - includes safe access to transit
- Transit vehicle priority investments, such as Better Bus or transit signal priority improvements

Bond repayment commitments for the 2028-2030 RFFA cycle are:

<b>Bond Repayment Commitment</b>	<b>\$51,780,000</b>
<b>New Project Bond Repayment Commitment</b>	<b>\$ To be determined</b>

### **Step 1B – Region-wide program investments, MPO and regional planning**

#### **Region-wide program investments**

Three region-wide programs have been defined over time by their regional scope, program administration, and policy coordination, and a consistent allocation of regional flexible funds to support them. The three programs are:



- **Regional Travel Options/Safe Routes to School –**

Grant program that supports local jurisdictional and non-governmental organization partners’ public outreach and encouragement work that helps people of all ages reduce automobile use and increase travel by transit, ridesharing, bicycling, and walking. Funding also supports research, measurement and partner coordination activities.

- Grants to local partners that support public outreach and encouragement, to help people reduce automobile use and travel by transit, ridesharing, bicycling or walking, and to build a coordinated regional Safe Routes to School program



- **Transit Oriented Development** – Grant program to help stimulate private development of higher-density, affordable and mixed-use projects near transit, invest into urban living infrastructure - such as early childhood learning centers, grocery stores, community cultural spaces, and employment resource centers – that benefit low-income community members and people of color, and to acquire land for future affordable housing development all within proximity to frequent service transit to increase the use of the region’s transit system and advance the Region 2040 Growth Concept.
- **Transportation System Management and Operations** – Funding focused on projects and coordination activities to improve the region’s transportation data, traffic signals, traveler information and other technological solutions to help move people and goods more safely, reliably, and efficiently.

Funding targets are set for the existing region-wide programs in this cycle based on their historical allocation levels which includes an annual 3% increase to address increasing program costs and maintain purchasing power. The region-wide programs are reviewed in each RFFA cycle. TPAC was presented an overview and highlights at the February and April 2024 workshop meetings.

Region-wide program investments for the 2028-2030 RFFA cycle are:

<b>Regional Travel Options/Safe Routes to School (RTO/SRTS)</b>	<b>\$12,131,862</b>
<b>Transit Oriented Development (TOD)</b>	<b>\$12,900,856</b>
<b>Transportation System Management and Operations (TSMO)</b>	<b>\$7,586,478</b>

### c. MPO, Freight, Economic Development, Corridor and System Planning

Regional funds are used to support planning, analysis and management work required of an MPO. JPACT and Metro Council have directed Regional Flexible Funds to be spent instead of collecting dues from each partner jurisdiction in the region as was done prior to 1992. Regional funds have also been directed towards continued planning work to further develop regional corridors, transit and freight networks, and to better understand the economic impacts of the region’s transportation investments.

Planning-related funding commitments for the 2028-2030 RFFA cycle are:



**MPO Planning (in lieu of dues)**  
**Corridor and System Planning**

**\$5,169,460**  
**\$2,791,973**

**Step 2 – Capital Investments**

The 2028-2030 RFFA program direction retains the single Step 2 capital projects category and maintains the same focus on local projects with regional impact that improve the region’s active transportation network and supporting freight mobility and economic outcomes.

JPACT and Metro Council continue to direct a strategic approach is followed to allocating Step 2 funds, including:

- A topically or geographically focused impact rather than an array of disconnected projects
- Achieves appreciable impacts on implementing a regional scale strategy given funding amount available
- Addresses specific outcomes utilizing the 2023 Regional Transportation Plan goals
- Prioritizes catalytic investments
  - leveraging large benefits or new funding
- Positions the region to take advantage of federal and state funding opportunities as they arise



In the development of the 2028-2030 RFFA program direction, participants largely supported the structure for Step 2 utilized in the 2025-2027 RFFA cycle. However, members of TPAC indicated a need some refinements to the Step 2 process and evaluation criteria. Already knowing the Step 2 evaluation criteria would require refinements to align to the 2023 RTP, the emphasis and focus on Step 2 has largely centered on refinements. From February through April 2024, Metro staff gathered input to

help inform the refinements necessary for Step 2. After assessing the feedback and comments, the three main themes emerged: 1) a desire for more technical assistance throughout the Step 2 application process; 2) greater context sensitive consideration in the evaluation of Step 2 applications; and 3) ensuring Step 2 Regional Flexible Funds are awarded across the region.

The two themes provided through the April 2024 combined with input heard with the adoption of the Regional Transportation Plan comprises the refinements for Step 2 in the 2028-2030 RFFA cycle. The refinements are described further in the following sections.

These refinements are to support result in projects that achieve multiple outcomes and lead to better outcomes in implementing the five goals outlined in the 2023 RTP.

**Step 2 Evaluation Criteria**

The criteria shown below in Table 4 (center column) serve as the evaluation standards for the applications received and in consideration for Step 2 funding. The criteria illustrate the region’s

commitment to invest to advance the 2023 RTP goals and priorities. Projects that perform well in the outcomes evaluation will demonstrate significant and measurable improvements in each of these criteria.

**Table 5: Step 2 Project Evaluation Criteria**

RTP Goal Area*	28-30 RFFA Evaluation Criteria	Draft Performance Measures for Consideration
<p><b>Equitable Transportation –</b> Transportation system disparities experienced by Black, Indigenous and people of color and people with low incomes, are eliminated. The disproportionate barriers people of color, people who speak limited English, people with low incomes, people with disabilities, older adults, youth and other marginalized communities face in meeting their travel needs are removed.</p>	<ul style="list-style-type: none"> <li>• Increased accessibility</li> <li>• Increased access to affordable travel options</li> <li>• Meets a transportation need identified by the community</li> </ul>	<ul style="list-style-type: none"> <li>• Project makes improvements in an Equity Focus Area (EFA)</li> <li>• Improves access to community places for Black, Indigenous, and People of Color (BIPOC), and underserved communities               <ul style="list-style-type: none"> <li>○ E.g. Closes active transportation gaps or substandard facilities along frequent transit lines and stations in EFAs</li> <li>○ E.g. Active transportation and/or regional trail network system completeness contribution in EFA</li> </ul> </li> <li>• Makes active transportation improvements in area with poor community health outcomes</li> <li>• Improves access to low and middle wage jobs</li> <li>• Removes, reduces disparities and barriers (jobs, transit, services for equity communities)</li> <li>• Demonstrated transportation project was/is identified by community as a priority</li> <li>• Improves access in area with high lack of access to vehicle/high housing + transportation burden</li> </ul>

RTP Goal Area*	28-30 RFFA Evaluation Criteria	Draft Performance Measures for Consideration
<p><b>Safe System</b> – Traffic deaths and serious crashes are eliminated and all people are safe and secure when traveling in the region.</p>	<ul style="list-style-type: none"> <li>Reduced fatal and serious injury crashes for all modes of travel</li> </ul>	<ul style="list-style-type: none"> <li>Project location is designated as a priority for safety improvements</li> <li>Scope of project is to address a known safety issue and uses proven safety countermeasures or higher quality design</li> <li>Improve safety and mitigates for potential traffic congestion occurred through incident management in an area identified as a high crash location</li> <li>Design elements prioritize safety with a hierarchy of users based on the project facility's designated design classification</li> <li>Project is within 1 mile (or designated walking zone) of a K-12 school</li> </ul>
<p><b>Climate Action and Resilience</b> – People, communities and ecosystems are protected, healthier and more resilient and carbon emissions and other pollution are substantially reduced as more people travel by transit, walking and bicycling and people travel shorter distances to get where they need to go.</p>	<ul style="list-style-type: none"> <li>Reduced emissions from vehicles</li> <li>Reduced drive alone trips</li> <li>Reduces impacts/mitigates for weather events (e.g. flood, heat)</li> <li>Increases stability of existing critical transportation infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Provides/increases transit option, biking/walking</li> <li>Improves system management via technology</li> <li>Improves/adds street connectivity</li> <li>Integrates transportation demand management strategies (outside of TSMO)</li> <li>In/supports development patterns of a designated 2040 priority Land Use center or corridor</li> <li>Addresses environmental hazard (e.g. stormwater</li> </ul>

RTP Goal Area*	28-30 RFFA Evaluation Criteria	Draft Performance Measures for Consideration
		<p>runoff/wetness index, tree canopy)</p> <ul style="list-style-type: none"> <li>• Addresses an Emergency Transportation Route</li> <li>• Decreases impervious surface</li> <li>• Increases tree canopy</li> </ul>
<p><b>Mobility Options –</b> People and businesses can reach the jobs, goods, services and opportunities they need by well-connected, low-carbon travel options that are safe, affordable, convenient, reliable, efficient, accessible, and welcoming</p>	<ul style="list-style-type: none"> <li>• Increased reliability</li> <li>• Increased travel and land use efficiency</li> <li>• Increased travel options</li> <li>• Reduced drive alone trips</li> </ul>	<ul style="list-style-type: none"> <li>• Increases reliability and efficiency for all travel modes</li> <li>• Improves transit reliability</li> <li>• Increases reliability by removing a barrier on regional freight system</li> <li>• Improves/adds street connectivity</li> <li>• Provides/increases transportation option</li> </ul>
<p><b>Thriving Economy –</b> Centers, ports, industrial areas, employment areas, and other regional destinations are accessible through a variety of multimodal connections that help people, communities, and businesses thrive and prosper.</p>	<ul style="list-style-type: none"> <li>• Increased access to jobs</li> <li>• Increased access to centers</li> <li>• Increased access to industrial and transport facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Supports/increases industrial/commercial developability</li> <li>• In/supports development patterns of a designated 2040 priority Land Use center or corridor</li> <li>• Provides/increases access to Target Industries (see Economic Value Atlas)</li> <li>• Increases multimodal mobility and access to industrial and transport facilities</li> </ul>
<p><b>Design*</b> - Supporting the implementation of livable streets and trails that advance the region towards the 2040 Growth Concept vision and</p>	<ul style="list-style-type: none"> <li>• Design clearly demonstrates prioritized values/objectives of the project appropriate to context and</li> </ul>	<ul style="list-style-type: none"> <li>• In/supports future desired development of a designated 2040 priority Land Use center or corridor</li> <li>• Design elements prioritize pedestrian and bicycle access,</li> </ul>

RTP Goal Area*	28-30 RFFA Evaluation Criteria	Draft Performance Measures for Consideration
regional transportation system vision.	facility/design classification <ul style="list-style-type: none"> <li>• Design implements 2040 Growth Concept</li> <li>• Design reflects outcomes of performance-based planning and design</li> </ul>	mobility and safety and other functions based on the project facility's designated design classification <ul style="list-style-type: none"> <li>• Project design represents the best possible improvement in project area, based on functional and design classification and contextual constraints.</li> </ul>

\*Indicates the evaluation criteria is not specifically a goal area identified by the 2023 Regional Transportation Plan.

Further staff work will take place during the summer of 2024 to finalize the Step 2 performance measures (furthest right column in Table 4) and provide additional guidance to applicants prior to the Call for Projects in September 2024. The performance measures listed above are examples and may not completely reflect the final performance measures utilized in the evaluation of candidates for Step 2 funding. Metro will present proposed performance measures at an upcoming TPAC workshop for further comment and clarification.

The evaluation will measure how completely, and thoroughly proposed projects address the criteria. The analysis will include both quantitative and qualitative measures to provide decision-makers with a well-rounded understanding of the proposed project's attributes and improvements to the regional system.

Depending on the pool of candidate projects submitted for consideration, additional emphasis of select performance measures or criteria may be required to ensure there is an adequate pool of eligible projects to utilize the different sources of federal funding which comprises the Regional Flexible Funds, particularly the use of Congestion Mitigation/Air Quality (CMAQ) funds.

### Step 2 Cycle Objectives and Process Refinements

Upon action taken by JPACT and the Metro Council to allocate federal Redistribution funding in Summer 2024, the region will develop a process to provide application assistance to local jurisdictions for the Step 2 allocation. The details of the application assistance are in development, but based on staffing and funding availability to date, the known eligibility process elements for the application assistance include:

- Instituting a pre-application window prior and letter of intent to apply prior to the opening of the Step 2 application.
  - All eligible jurisdictions or agencies intending to apply for funding in the Step 2 application process are required to submit a letter of intent to apply.
  - Those jurisdictions eligible for application assistance must indicate during the pre-application window request for assistance.

In efforts to respond to the feedback from the RTP and regional partners desire to see Regional Flexible Funds invested across the region, the following cycle objectives and eligibility requirements are new to the 2028-2030 RFFA Step 2 cycle:

- Projects which received funding for construction in the 2025-2027 RFFA cycle are ineligible for applying for the upcoming cycle.
  - Projects which received project development funding in the 2025-2027 RFFA cycle would remain eligible.
- Increase the minimum funding request for project development work from \$500,000 to \$700,000
- Increase the minimum funding request for capital projects from \$3 million to \$4 million

Further staff work will take place during the summer of 2024 to define further the process for the Step 2 allocation. The proposer's handbook available prior to the opening of the Step 2 Call for Projects will provide the details for the Step 2 process and provide further information on the outcomes evaluation and project delivery risk assessment for the purposes of supporting applicants in developing competitive applications.

**TOTAL Step 2:** **\$ To Be Determined**  
(dependent upon new project bond outcome, but estimated range from \$47 - \$60 million)

## STEP 2 PROJECT SELECTION PROCESS

All project funding proposals received in the Step 2 Capital Project category will be considered for selection using the following process:

**Pre-Application Window** – A pre-application window will take place prior to the Proposer Workshop(s) and Call for Projects (see below). Interested local jurisdictions and agencies will be asked to submit a letter of intention to apply during the pre-application window. One letter submitted by the jurisdiction or agency will suffice. As part of the letter, jurisdictions and agencies are to include a small number of details, such as project title and short description, draft project cost estimate and funding request, and whether the project seeks full funding through construction or project development funding only. More than one candidate project can be indicated in the letter.

In addition, those local jurisdictions and agencies eligible for application assistance will be asked to nominate themselves during the pre-application window.

Further detail outlining the Pre-Application Window and next steps for Step 2 are to be released in July 2024. The Pre-Application Window is tentatively scheduled for August 2024.

**Proposer Workshop** – Prior to the Call for Projects, Metro will hold at a minimum of one, but possibly more proposer's workshop(s). The purpose of the workshop is to clarify the application and evaluation approach to help proposers prepare thorough project proposals that fully demonstrate project benefits and system improvements. Additional workshops may be held on specific areas of the application. An example may include a workshop focused on the questions to inform the Project Delivery Risk Assessment. The desired outcome is to ensure proposers understand how criteria will be used to evaluate their



project and understand what factors will be reviewed in determining the thoroughness of the project's scope, budget and timeline.

**Call for Projects** – Metro will issue the call for project proposals in September 2024. Applicants will have approximately nine weeks to complete proposals, which are due in November 2024.

**Outcomes Evaluation** – A work group will review and rate the submitted proposed projects. Proposals will receive an evaluation score reflecting how well the project addresses the criteria. In addition to this quantitative analysis, the evaluation will also include qualitative information to reflect attributes about each project that may not be reflected in a strict numerical score.

By presenting both quantitative and qualitative information, decision-makers and the public can better understand the technical merits of projects, which will help to better inform the regional decision-making process.

**Project Delivery Risk Assessment** – To ensure that RFFA-funded projects can be delivered as proposed, on time, within budget, and make it through the federal aid process, Metro will conduct a project delivery risk assessment on each candidate and issue a report documenting the findings. Candidates will be evaluated on how completely the project has been planned, developed and scoped, and measure the risk of project completion within the 2028-2030 timeframe. An opportunity for clarifications on questions will be provided to candidates before issuing final findings. Recommendations from the Project Delivery Risk Assessment will inform conditions of approval and/or required early project development activities if the candidate project is awarded Regional Flexible Funds.

This report will be made publicly available and used as a part of the regional decision-making process.

The Outcomes Evaluation and Project Delivery Risk Assessment processes will occur concurrently in December 2024 – March 2025.

**Public Comment** – Following issuance of the Outcomes Evaluation and Project Delivery Risk Assessment reports, Metro will conduct a 30-day public comment period in period between March through April 2025, focusing on outreach to community and neighborhood organizations, county coordinating committees and other stakeholders. A joint public meeting of JPACT and Metro Council is planned to give decision-makers the opportunity to hear public testimony on project proposals. A summary of input received through the public comment period will be made available along with the Outcome Evaluation and Project Delivery Risk Assessment reports to inform the final 2028-2030 RFFA decision making process.

**County Coordinating Committee/City of Portland Recommendations** – Each county coordinating committee and the City of Portland will have the opportunity to provide recommendations to decision-makers on which projects submitted from their jurisdictions best reflect their local priorities. Recommendations are to be provided to TPAC and JPACT in advance of the TPAC action to recommend a package of projects to JPACT.

**TPAC/JPACT Discussion and Action** – Following the above information gathering steps, TPAC will be asked to consider and discuss the input received, and to provide a recommendation to JPACT on a package of projects to be funded, including both Step 1 and Step 2 investments.

JPACT will consider and discuss the TPAC recommendation and will be requested to take action to refer a package of projects to Metro Council in July 2025.

**Council Action** – Metro Council will consider and take action on the JPACT-referred package in July 2025.

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If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

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