

# Memo



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Date: February 21, 2023  
To: Metro Council and Interested Parties  
From: Ken Lobeck, Funding Programs Lead  
Subject: February FFY 2023 MTIP Formal Amendment & Resolution 23-5315 Approval Request

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## **FORMAL MTIP AMENDMENT STAFF REPORT**

### **Amendment Purpose Statement**

**FOR THE PURPOSE OF AMENDING THE 2021-24 MTIP TO ENSURE PREVIOUSLY APPROVED FUNDING IS AVAILABLE TO SUPPORT PLANNING ACTIVITIES IN THE SFY 2024 UNIFIED PLANNING WORK PROGRAM (UPWP)**

### **BACKGROUND**

#### **What This Is:**

The February FFY 2023 Formal Metropolitan Transportation Improvement Program (MTIP) Formal/Full Amendment bundle is primarily a re-positioning amendment supporting the development of the State fiscal Year (SFY) Unified Planning Work Program (UPWP). The summary of changes includes the following:

- Key 22158, the FFY 23 Regional Travel Options (RTO) project is being advanced from FFY 2025 to FFY 2023.
- Key 22161, the FFY 23 Safe Routes to School (SRTS) project is being advanced from FFY 25 to FFY 2023.
- To meet the preliminary funding estimate for the Next Corridor Study project UPWP area:
  - \$295,924 of STBG plus match is being split from Key 22154 and combined into Key 22598.
  - Key 22154 is reduced and left in FFY 2025.

#### **What is the requested action?**

**JPACT met on February 16, 2023, and approved Resolution 23-5315. JPACT now requests Metro Council provide the final approval for Resolution 23-5315 consisting of the four amended projects in support of the SFY 2024 UPWP development.**

A summary of the projects and amendment actions within the bundle are shown on the next pages.

February FFY 2023 Formal Transition Amendment Bundle Contents Amendment Type: Formal/Full Amendment #: FB23-06-FEB Total Number of Projects: 4				
Key Number & MTIP ID	Lead Agency	Project Name	Project Description	Amendment Action
(#1) ODOT Key # <b>22158</b> MTIP ID 71107	Metro	Regional Travel Options (RTO) program (FFY 2023)	The Regional Travel Options (RTO) program implements strategies to help diversify trip choices, reduce pollution and improve mobility. (FY 2023 UPWP allocation year)	<b>ADVANCE PROJECT:</b> Advance the project and funding from FFY 2025 to FFY 2023 to support the development and funding needs of the SFY 2024 UPWP
(#2) ODOT Key # <b>22161</b> MTIP ID 71114	Metro	Safe Routes To Schools program (FFY 2023)	Promotes through planning funding and outreach activities the ability for youth to safely affordably and efficiently access school by walking biking and transit. (FY 2023 allocation year)	<b>ADVANCE PROJECT:</b> Advance the project and funding from FFY 2025 to FFY 2023 to support the development and funding needs of the SFY 2024 UPWP
(#3) ODOT Key # <b>22598</b> MTIP ID 70871	Metro	Corridor and Systems Planning (2021)	Corridors and Systems Planning Program conducts planning level work in corridors. Emphasizes the integration of land use and transportation. Determines regional system needs, functions and desired outcomes. (FY 2021 fund allocation year)	<b>COMBINE FUNDING:</b> Combine \$295,924 of STBG plus match from Key 22154 into Key 22598 to support SFY 2024 UPWP Next Corridor Planning needs
(#4) ODOT Key # <b>22154</b> MTIP ID 71111	Metro	Next Corridor Planning (FFY 2022)	Funds to contribute toward development of prioritized transportation improvements and funding strategy for the region's next priority corridor. (FY 2022 UPWP allocation year)	<b>SPLIT FUNDING:</b> Split \$295,924 of STBG plus match from key 22154 and combine into Key 22598 to support Next Corridor Planning needs in the SFY 2024 UPWP

#### AMENDMENT BUNDLE SUMMARY:

A total of four projects are included in the January FFY 2023 MTIP Formal Amendment bundle. The amendment bundle is proceeding under amendment number FB23-06-FEB. All changes are to existing projects. There are no new projects included in the bundle. All projects completed a 30-day public notification/opportunity to comment period consistent with Metro's Public Participation Plan. The public comment period opened on January 31, 2023 and closed on March 1, 2023.

**JPACT 2-16-2023 Meeting Summary**

The February 2023 Formal MTIP Amendment bundle was included on JPACT's Consent calendar. JPACT moved and approved the Consent calendar including the February Formal Amendment under Resolution 23-5315 unanimously and without discussion.

**TPAC 2-3-2023 Meeting Summary:**

Ken Lobeck, Metro Funding Programs Lead provided TPAC members with a short overview and purpose for the February 2023 Formal MTIP Amendment. The amendment bundle consists of four projects that require repositioning and/or programming updates to support the developing SFY 2024 UPWP. The MTIP is used as an obligation safety net providing the accountability and transparency when the various UPWP federal funds are obligated and approved to be expended. To avoid conflicts with the annual Obligation Targets program, several of the prior approved UPWP funding elements have been moved out to FFY 2025. Ken explained that as the SFY 2024 UPWP budget is coming together, a preliminary estimate of the needed federal funds is clearer allowing the individual needed projects to be re-positioned in FFY 2023 to support the SFY 2024 UPWP.

Ken noted that this amendment bundle is advancing into FFY 2023 the FFY 2023 Regional Travel Options (RTO) and FFY 2023 Safe Routes to Schools (SRTS) now that the preliminary UPWP budget has confirmed their federal Surface Transportation Block Grant (STBG) funds will be needed this year. The STBG funding allocated to these two programs has been approved previously as part of the RFFA Step 1 Table process. The amendment action is ensuring the required STBG will be available to be obligated before the end of FFY 2023.

He added that the remaining two projects in the bundle reflect the preliminary federal STBG estimate that will be needed in support of the SFY 2024 Next Corridor Planning area. The impacted Next Corridor Planning programming Keys in the MTIP and STIP are now being advanced, combined, and updated to reflect the estimated STBG that will be needed to the final list of approved planning projects.

As a final note, Ken explained that by repositioning and updating the STBG now, final required updates or changes can occur during April administratively without the need for another formal amendment. The goal is to have the final MTIP and STIP programming ready by May to allow the SFY 2024 UPWP Master Agreement to complete its required final reviews and approvals before the end of May with the final obligations occurring in early June 2023.

A TPAC member raised a question about the source of the Next Corridor Planning STBG requirements and how this is determined. Ken and Ted Leybold, Metro Resource Management Department Manager explained that Metro's Planning Group reviews and determines the annual planning priorities and specific studies to be included in the UPWP. The identification and selection process begins in November and by February the preliminary funding needs have been identified. During February, the applicable Next Corridor Planning revenue buckets are adjusted and updated to ensure sufficient funding is programmed in the correct obligation year.

By each February, preliminary financial requires have now been identified and a preliminary budget summary list of draft projects has been established. See the table on the next page as an example. Using the budget summary list, the MTIP and STIP are adjusted to reflect the funding needs. On the next page is the preliminary summary for the Next Corridor Planning section in the UPWP. The preliminary list of planning projects indicates that a total of \$417,573 of federal STBG will be required. The February 2023 Formal MTIP amendment is completing the funding updates and repositioning to support this area. Note: The amendment action is not approving the identified

projects. The amendment action is setting up the MTIP and STIP to have the required federal STBG ready in FFY 2023 to move forward and be obligated. Changes to this Next Corridor Planning section can still occur. If they result in different funding requirements, the change now can occur administratively instead of requiring another formal amendment.

### Draft SFY 2024 UPWP Budget Summary and Next Corridor Planning Area Funding Needs

METRO	Requirements Total Direct and Indirect Costs	HIDE C	Resources									
			PL	PL Match (ODOT)	5303	5303 Match (Metro)	STBG	STBG Match (Metro/ODOT)	FTA, FHWA, ODOT Grants	FTA, FHWA, ODOT Grants Match (Metro)	Metro Direct Contribution	Local Support
6 Regional Transit Program	\$ 206,678	##					\$ 275,362	\$ 31,518				
7 Regional Freight Program	\$ 312,544	##					\$ 280,445	\$ 32,098				
8 Complete Streets Program	\$ 90,295	##	\$ 81,021	\$ 9,273								
9 Regional Travel Options	\$ 4,803,116	##							\$ 4,644,359	\$ 158,557		
10 Safe Routes to School Program	\$ 573,262	##							\$ 548,690	\$ 24,572		
11 Transportation System Management & Operations - Regional Mobility Program	\$ 285,077	##					\$ 255,800	\$ 29,277				
12 TSMO Program Plus	\$ 183,414	##							\$ 164,578	\$ 18,837		
13 Better Bus Program	\$ 2,617,071	##									\$ 2,617,071	
14 Connecting First and Last Mile: Accessing Mobility through Transit Study	\$ 606,000	##									\$ 606,000	
15 Regional Emergency Transportation Routes	\$ 79,055	##					\$ 70,936	\$ 8,119				
Metro led Regionwide Planning Total	\$ 14,554,069	##	\$ 2,225,588	\$ 254,729	\$ 421,078	\$ 48,194	\$ 1,611,706	\$ 184,467	\$ 5,357,827	\$ 201,966	\$ 4,248,515	\$ -
<b>Metro led Corridor / Area Planning</b>												
1 Investment Areas (Corridor Refinement and Project Development)	\$ 716,437	##					\$ 256,227	\$ 29,326			\$ 430,883	
2 Southwest Corridor Transit Project	\$ 754,434	##							\$ 630,000	\$ 124,434		
3 Columbia Connects	\$ 91,960	##					\$ 82,516	\$ 9,444				
4 TV Highway Transit and Development Project	\$ 890,365	##							\$ 342,761	\$ 38,823	\$ 268,781	\$ 240.00
5 82nd Ave Transit Project	\$ 1,363,994	##					\$ 78,830	\$ 9,022			\$ 1,026,142	\$ 250.00
Metro led Corridor / Area Planning Total	\$ 3,817,189	##	\$ -	\$ -	\$ -	\$ -	\$ 417,571	\$ 47,793	\$ 972,761	\$ 163,257	\$ 1,725,805	\$ 490.00
<b>Metro Administration &amp; Support</b>												
1 MPO Management and Services	\$ 554,941	##	\$ 411,105	\$ 47,853							\$ 96,183	

#### Metro led Corridor / Area Planning

- Investment Areas (Corridor Refinement and Project Development)
- Southwest Corridor Transit Project
- Columbia Connects
- TV Highway Transit and Development Project
- 82nd Ave Transit Project

### DEVELOPMENT OF THE METRO ANNUAL UPWP:

The Metro annual UPWP begins development around the end of October with the budget completed by March of each year. March through April include final Metro reviews and approvals. May follows with Metro and ODOT completing the final expenditure contract for the approved list of UPWP projects. The expenditure contract also is referred to as the Master Agreement of annual UPWP projects.

As the region's MPO, Metro is required by the federal government to develop the Unified Planning Work Program each year with input from local governments, TriMet, the Oregon Department of Transportation, Federal Highway Administration and Federal Transit Administration. The program is a guide for transportation planning activities to be conducted over the course of each fiscal year (July 1 to June 30).

The UPWP includes:

- Planning priorities for the region
- Projects of regional significance: description, objectives, previous work, methodology, products expected, responsible entities, costs, funding sources and schedules
- Transportation planning, programs, projects, research and modeling: participating entities, tasks and products for the coming year along with costs, funding sources and schedules.

Metro uses a decision-making structure that provides state, regional and local governments the opportunity to participate in transportation and land use decisions. The Joint Policy Advisory

Committee on Transportation (JPACT) which consists of elected and appointed officials, must approve regional transportation policies and plans in concert with the Metro Council.

The annual UPWP is normally comprised of approximately 25 planning projects and includes MPO operational activities. A partial listing of the included projects is shown below. Individual projects are detailed within the UPWP which the complete list shown in the Budget Summary page.

METRO	Requirements	Resources					
	Total Direct and Indirect Costs	PL	PL Match (ODOT)	5303	5303 Match (Metro)	STBG	STBG Match (Metro/ODOT)
<b>Regional Transportation Planning</b>							
1 Transportation Planning	\$ 469,533					\$ 421,312	\$ 48,221
2 Climate Smart Implementation	\$ 478,854					\$ 69,838	\$ 7,996
3 Regional Transportation Plan Update 2023	\$ 2,632,643	\$ 578,989	\$ 66,268			\$ 389,255	\$ 44,552
4 Metropolitan Transportation Improvement Program	\$ 1,635,520	\$ 1,243,227	\$ 142,293				
5 Air Quality Program	\$ 26,918					\$ 24,193	\$ 2,764
6 Regional Transit Program	\$ 169,984					\$ 121,121	\$ 13,863
7 Regional Freight Program	\$ 215,337					\$ 193,222	\$ 22,115
8 Complete Streets Program	\$ 126,635					\$ 113,630	\$ 13,005
9 Regional Travel Options and Safe Routes to School Program							
10 Transportation System Management & Operations - Regional Mobility Program	\$ 310,438					\$ 278,556	\$ 31,882
11 High Capacity Transit Strategy Update							
12 Enhanced Transit Concepts Program							
13 Regional Freight Delay and Commodities Movement Study							
14 Economic Value Atlas Implementation	\$ 66,491					\$ 59,663	\$ 6,829
15 Regional Emergency Transportation Routes							
Regional Transportation Planning Total:	\$ 6,112,353	\$ 1,822,217	\$ 208,561	\$ -	\$ -	\$ 1,670,770	\$ 191,227
<b>Regional Corridor/Area Planning</b>							
1 Investment Areas (Corridor Refinement and Project Development)							
2 Southwest Corridor Transit Project							

In lieu of dues, Metro relies on our allocated FHWA “PL” planning funds, FTA based “Section 5303”, State matching funds, allocated Surface Transportation Block Grant (STBG) funds, local supporting funds, and periodic discretionary planning grant funds to support the UPWP. The annual UPWP total budget needs range from year to year based on regional study needs, staffing, need and the available funds. To help with the budget development and UPWP future needs, Metro’s Resource Development Department and Finance Department develop UPWP program area funding estimates. This enables Metro to evaluate the planning needs, capacity, and elasticity requirements on an annual basis. Metro’s Regional Flexible Fund Allocation, Step 1 allocation tables help determine annual program needs where STBG will be the primary funding source for the UPWP program area. Overall, the UPWP budget development is complicated, fluid, changes, often evolves, and must react to constantly changing funding levels.

### THE ROLE OF THE MTIP:

The MTIP’s role is to provide the funding snapshot for UPWP program areas and act as the obligation source for the UPWP. UPWP program areas such as Next Corridor Planning needs, Regional Travel Options (RTO), Safety Routes to School outreach activities. Estimated annual funding needs for these program areas are programmed in the MTIP. This helps Metro determine short and long range UPWP funding needs and commitments. Unfortunately, the MTIP is not an accounting document and the implementation of annual obligation targets as part of the document can the flexibility the UPWP requires.

The establishment of obligation targets within the MTIP required most of the programmed UPWP projects to be moved out into non-constrained MTIP years to protect the funds and ensure any delays in their obligation and use did not come back as penalties against the MPO. As the annual UPWP budget is developed, “out-year” programmed UPWP projects are now advanced, adjusted, split, and recombined as needed to support the UPWP budget.



**JANUARY/FEBRUARY FORMAL MTIP AMENDMENTS AND THE UPWP BUDGET:**

As the and UPWP budget begins to take shape (usually by the end of December), MTIP reprogramming actions begin in January and continue through February. Required STBG project funding is advanced into the current obligation year to support the UPWP. PL, 5303, and other funding adjustments occur as updates are received. This process is referred to as UPWP funds repositioning. The goal to help ensure a sufficient amount of approved STBG, PL, 5303, local, and any applicable discretionary grant funding is in the current federal fiscal year to support the UPWP. Approved projects then can move forward to obligate their federal funds normally in June. The January and February reprogramming actions allows the UPWP funding scorecard to be created and ready for later obligations.

With the January 2023 Formal MTIP Amendment, staff began adjusting the anticipated final authorized levels for PL, 5303, and STBG for basic planning needs. The February 2023 Formal MTIP amendment continues the UPWP funding repositioning by completing the following actions:

1. Approved STBG funding for the FFY 2023 RTO program will be needed to obligate during FFY 2023. As result, the program funding in Key 22158 is being advanced from FFY 2025 to the current federal fiscal year of FFY 2023. The project will be part of the final SFY 2024 UPWP.

LEAD AGENCY		Metro				
PROJECT NAME		Regional Travel Options (RTO) program (FFY 2023)				
Project IDs		Project Description				Project Type
ODOT KEY	22158	The Regional Travel Options (RTO) program implements strategies to help diversify trip choices reduce pollution and improve mobility. (FY 2023 UPWP allocation year)				Regional Program
MTIP ID	71107					
RTP ID	11103					
Phase		Year	Fund Type	Federal Amount	Minimum Local Match	Other Amount
Other		<del>2025</del>	STBG-URBAN	\$2,839,398	\$324,982	\$0
		2023	FY 21-26 Totals	\$2,839,398	\$324,982	\$0
			Estimated Project Cost (YOE\$)	\$2,839,398	\$324,982	\$0

2. The same process is occurring for the Metro UPWP Safe Routes to Schools Program (SRTS). Program funding has been confirmed will be needed this UPWP cycle and the project is being advanced from FFY 2025 to FFY 2023.

LEAD AGENCY		Metro				
PROJECT NAME		Safe Routes to Schools program (FFY 2023)				
Project IDs		Project Description				Project Type
ODOT KEY	22161	Promotes through planning funding and outreach activities the ability for youth to safely affordably and efficiently access school by walking biking and transit. (FY 2023 allocation year)				Regional Program
MTIP ID	71114					
RTP ID	12021					
Phase		Year	Fund Type	Federal Amount	Minimum Local Match	Other Amount
Other		<del>2025</del>	STBG-URBAN	\$546,364	\$62,534	\$0
		2023	FY 21-26 Totals	\$546,364	\$62,534	\$0
			Estimated Project Cost (YOE\$)	\$546,364	\$62,534	\$0

3. Reprogramming actions for the next two projects involve anticipated funding for the UPWP Next Corridor Planning area. The Net Corridor Investment Areas completes system planning and develops multimodal projects in major transportation corridors identified in the Regional Transportation Plan (RTP) as well as developing shared investment strategies to

align local, regional and state investments in economic investment areas that support the region's growth economy. It includes ongoing involvement in local and regional transit and roadway project conception, funding, and design.

Determining the annual funding needs for this area is difficult as the planning need can be fluid and change multiple times. Staff wait as long as possible until the needed funding amount can be estimated. For the SFY 2024 UPWP, the preliminary STBG need totals \$417,573 of STBG plus required matching funds. Project Keys 22598 and 22154 are being reprogrammed in this amendment bundle to reflect the anticipated STBG funding need. The final Next Corridor program funding need for SFY 2024 will be represented in Key 22598. All of the funding in Key 22598 is expected to be needed as part of the Master Agreement and will be shifted into Key 22311 during April administratively. The re-programming actions are shown below.

A. Key 22598: Add STBG (and match) from Key 22154.

LEAD AGENCY		Metro				
PROJECT NAME		Corridor and Systems Planning (2021)				
Project IDs		Project Description				Project Type
ODOT KEY	22598	Corridors and Systems Planning Program conducts planning level work in corridors. Emphasizes the integration of land use and transportation. Determines regional system needs functions and desired outcomes. (FY 2021 fund allocation year)				System/corridor planning
MTIP ID	70871					
RTP ID	10000					
Phase		Year	Fund Type	Federal Amount	Minimum Local Match	Other Amount
Planning		2023	STBG-URBAN	\$121,649	\$13,923	\$0
			FY 21-26 Totals	\$121,649	\$13,923	\$0
			Estimated Project Cost (YOE\$)	\$121,649	\$13,923	\$0

Add \$295,924 of STBG plus match from Key 22154

B. Key 22154: Split \$295,924 of STBG plus match and combine into Key 22598 above.

LEAD AGENCY		Metro				
PROJECT NAME		Next Corridor Planning (FFY 2022)				
Project IDs		Project Description				Project Type
ODOT KEY	22154	Funds to contribute toward development of prioritized transportation improvements and funding strategy for the region's next priority corridor. (FY 2022 UPWP allocation year)				System/corridor planning
MTIP ID	71111					
RTP ID	11103					
Phase		Year	Fund Type	Federal Amount	Minimum Local Match	Other Amount
Planning		2025	STBG-URBAN	\$451,331	\$51,657	\$0
			FY 21-26 Totals	\$451,331	\$51,657	\$0
			Estimated Project Cost (YOE\$)	\$451,331	\$51,657	\$0

Split \$295,924 of STBG and plus match and combine into Key 22598

C. Final Next Corridor Programming Summary for Key 22598 reflecting a total of \$417,573 of STBG plus match = \$465,366.





## APPROVAL STEPS AND TIMING

Metro's approval process for formal amendment includes multiple steps. The required approvals for the February FFY 2023 Formal MTIP amendment (FB23-06-FEB) will include the following:

<u>Action</u>	<u>Target Date</u>
• TPAC Agenda mail-out.....	January 27, 2023
• Initiate the required 30-day public notification process.....	January 31, 2023
• TPAC notification and approval recommendation.....	February 3, 2023
• JPACT approval and recommendation to Council.....	February 16, 2023
• Completion of public notification process.....	March 1, 2023
• <b>Metro Council approval.....</b>	<b>March 9, 2023</b>

Notes:

\* The above dates are estimates. JPACT and Council meeting dates could change.

\*\* If any notable comments are received during the public comment period requiring follow-on discussions, they will be addressed by JPACT.

USDOT Approval Steps (The below timeline is an estimation only):

<u>Action</u>	<u>Target Date</u>
• Final amendment package submission to ODOT & USDOT.....	March 15, 2023
• USDOT clarification and final amendment approval.....	Early to mid-April 2023

## ANALYSIS/INFORMATION

1. **Known Opposition:** None known at this time.
2. **Legal Antecedents:**
  - a. Amends the 2021-24 Metropolitan Transportation Improvement Program adopted by Metro Council Resolution 20-5110 on July 23, 2020 (FOR THE PURPOSE OF ADOPTING THE 2021-2024 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM FOR THE PORTLAND METROPOLITAN AREA).
  - b. Oregon Governor approval of the 2021-24 MTIP: July 23, 2020
  - c. 2021-2024 Statewide Transportation Improvement Program (STIP) Approval and 2021 Federal Planning Finding: September 30, 2020
3. **Anticipated Effects:** Enables the projects to obligate and expend awarded federal funds, or obtain the next required federal approval step as part of the federal transportation delivery process.
4. **Metro Budget Impacts:**
  - a. Parallels the development of the Metro SFY 2024 UPWP approved budget
  - b. MTIP programming is subordinate to UPWP budget approval.
  - c. MTIP programming will be adjusted to reflect the final approved SFY 2024 UPWP.
  - d. Will enable Metro funded programs part of the SFY 2024 UPWP to be obligated, funds expended, and approved planning activities to be implemented.

**RECOMMENDED ACTION:**

**JPACT met on February 16, 2023, and approved Resolution 23-5315. JPACT now requests Metro Council provide the final approval for Resolution 23-5315 consisting of the four amended projects in support of the SFY 2024 UPWP development.**

No Attachments