

2022-24 Regional Flexible Funds Allocation

Presentation to Metro Council
January 8, 2019

Purpose of this Work Session

For Metro Council to give policy direction on the Regional Flexible Funds Allocation for 2022-24.



Overview of RFFA discussion

1. Metropolitan Planning Organization (MPO) function
2. Transportation funding
3. Regional Transportation Plan
4. Policy options and discussion



1. Metro's role as Metropolitan Planning Organization (MPO)

Metropolitan Planning Organization (MPO) functions

As an MPO, three of Metro's core functions are to:

- work collaboratively partners to decide how to invest federal highway and public transit funds within its service area, through the **Metropolitan Transportation Investment Program (MTIP)**
- create long-range transportation plans for the region, including the **Regional Transportation Plan (RTP)**
- make strategic use of a subset of transportation funding that Congress sends directly to MPOs, referred to as the **Regional Flexible Funds Allocation (RFFA)**

Metropolitan Transportation Implementation Plan (MTIP)



With the MTIP, Metro has oversight of all federal spending and all projects of regional significance for:

- Eligibility and financial constraint
- Evaluation of immediate-term “program of projects” for compliance with federal regulations





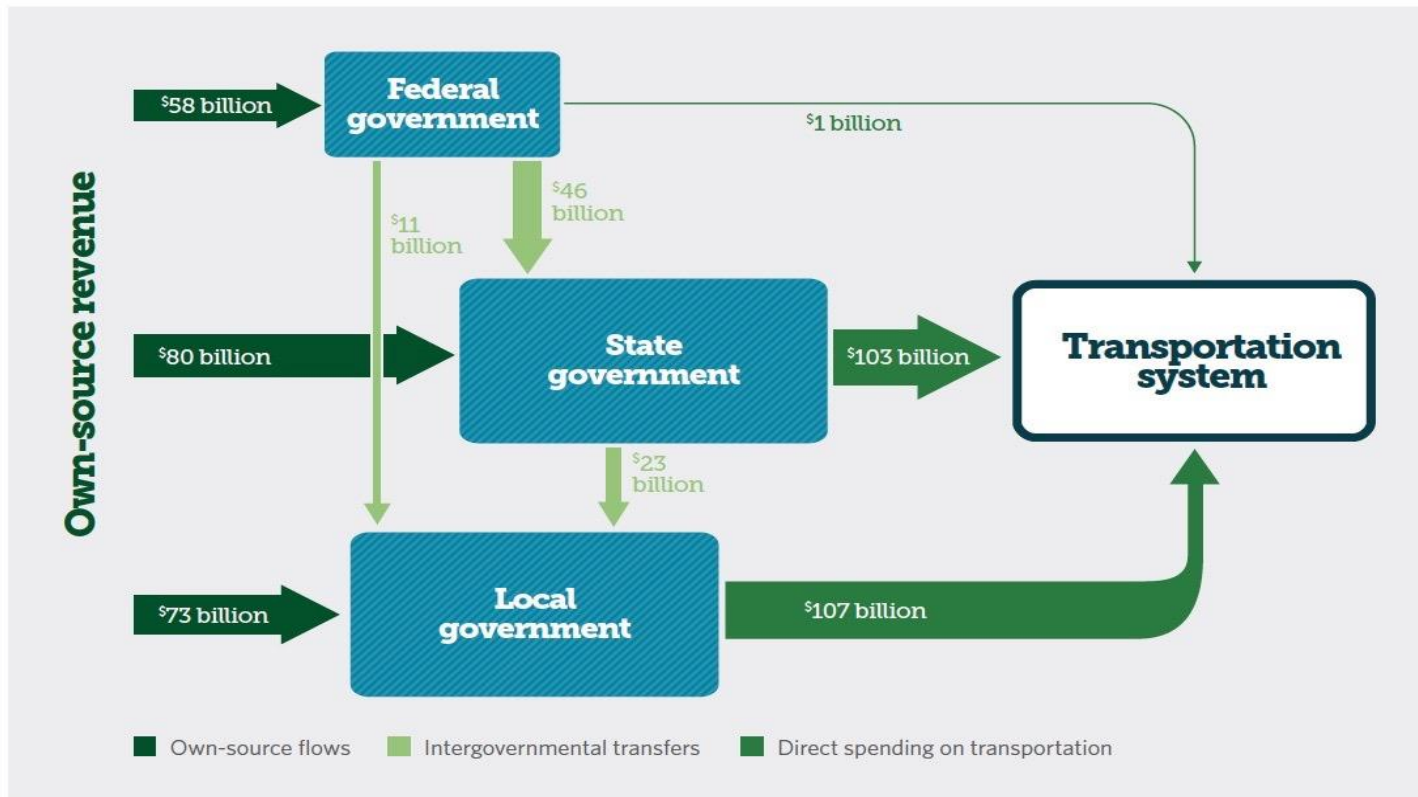
Metro

2. Transportation Funding

Transportation Revenues and Spending

Surface Transportation Funding Flows Among Levels of Government

Spending on highways and transit, 2011



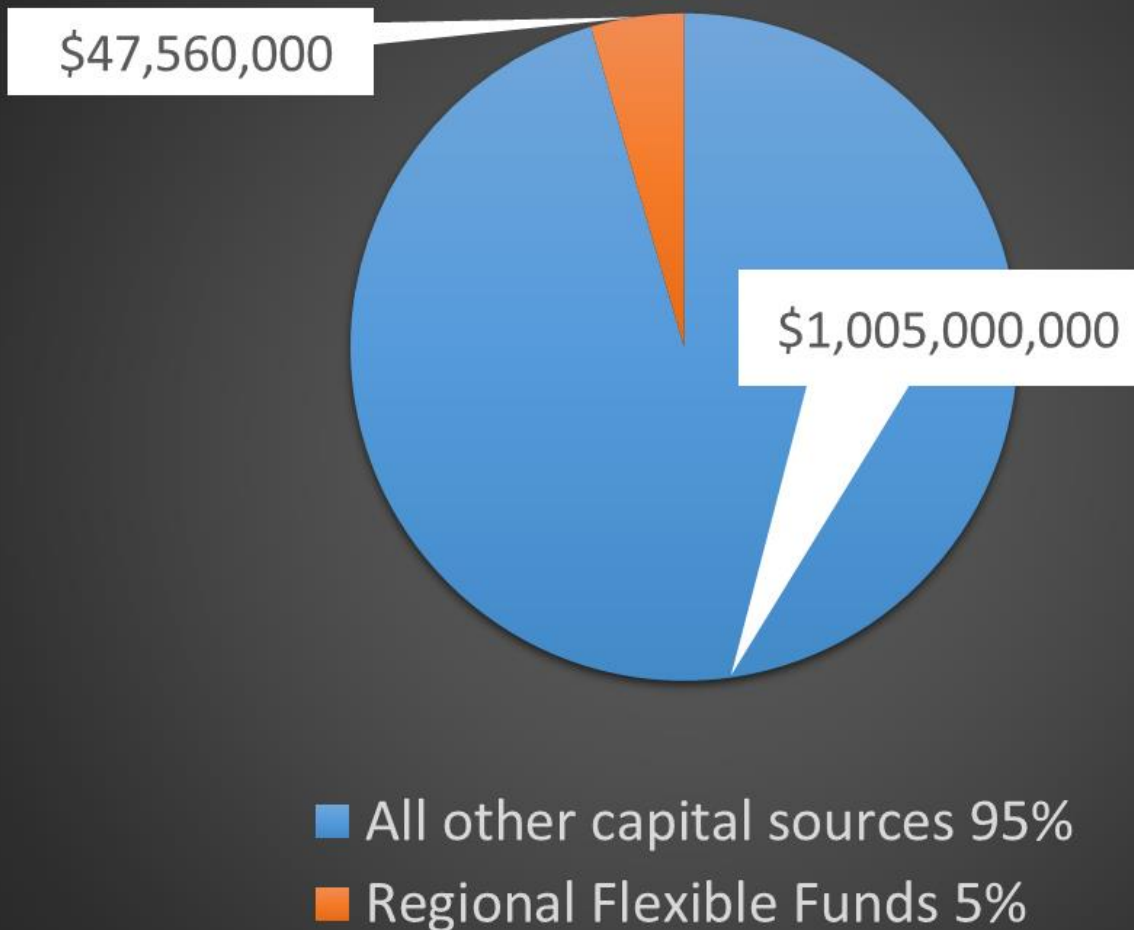
Transportation Funding Available in Region

- State Transportation Funding
 - Source: state gas tax
 - Primary uses: highways, maintenance and operations
- City and County Transportation Funding
 - Source: state gas tax, local fees and local taxes
 - Primary use: maintenance and operations
- Transit Agency Funding
 - Source: federal, payroll taxes and other sources
 - Primary use: capital and operations
- **Metro MPO Funding (Regional Flexible Funds)**
 - Source: federal
 - Primary use: regional planning, regional operations, capital projects of regional significance, with a focus on transit and active transportation

Funding Outlook

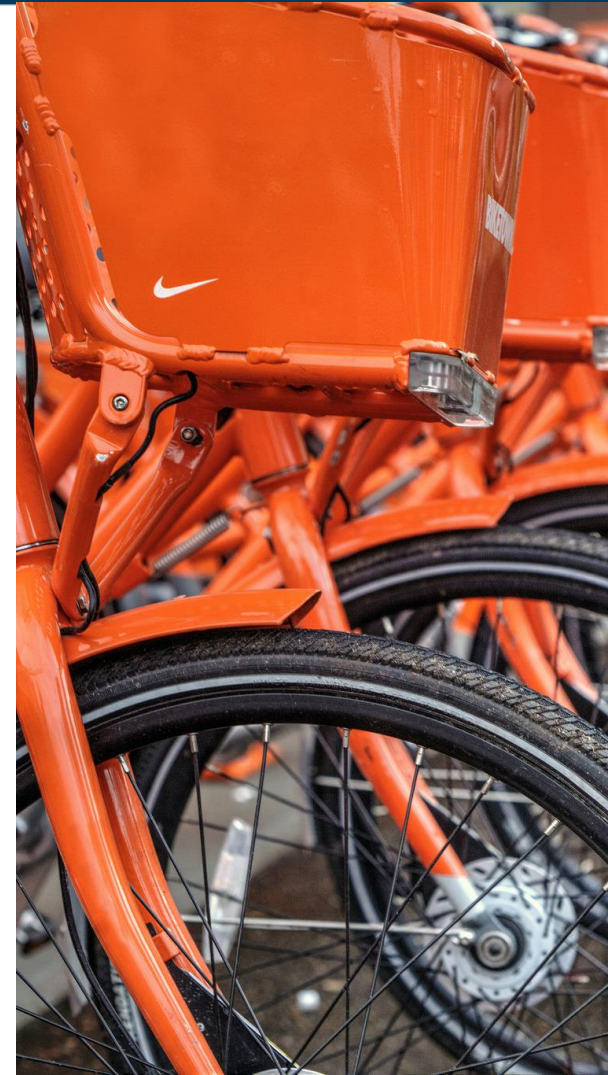
- Purchasing power of federal and state gas tax revenues is **declining** on a per capita basis as individuals drive less and fuel efficiency increases.
- HB 2017 increased the gas tax and vehicle title and registration fees over a seven-year period, with a slight increase overall funding region, **primarily used for road maintenance and transit service.**
- Region's operations and **maintenance needs are significant** - consumes approximately 51 percent of the total revenues identified for the greater Portland region.

Flexible Funds are a small amount of all regional funding sources



Regional Flexible Funds Allocation (RFFA)

- Can be used for broadest range of needs
- Leverages other funding in the region
and/or
- Funds system elements of the regional system that don't have dedicated funding



Eligible Uses of Regional Flexible Funds

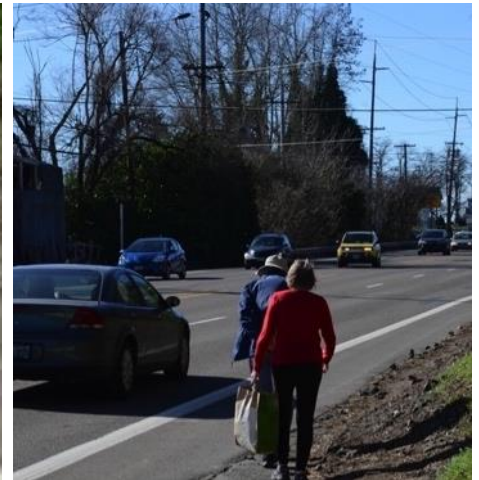
Examples of eligible uses:

- Transportation System Management & Operations (TSMO)
- Regional Travel Options/Safe Routes to School (RTO/SRTS)
- Transit-Oriented Development (TOD)
- Corridor planning
- Capital projects and project development:
 - To expand transit network
 - To complete the active transportation next work
 - Improve freight connections and/or arterial network

3. The 2018 Regional Transportation Plan (RTP)

2018 RTP Vision Statement

In 2040, everyone in the Portland metropolitan region will share in a prosperous, equitable economy and exceptional quality of life sustained by a safe, reliable, healthy, and affordable transportation system with travel options.



Vision statement approved by the Metro Council, JPACT and MPAC in May 2017.

2018 RTP Elements

- Vision for the Regional Transportation System
- Includes:
 - Regional Transportation System Policies
 - Regional Projects
 - Regional Programs and Plans
 - Performance Measures
 - Implementation

Many meaningful opportunities to listen, learn and collaborate



Regional Leadership Forum | 2018



Regional Leadership Forum | 2016



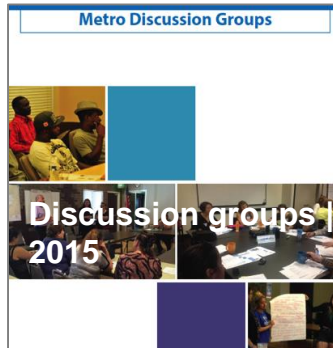
Community Leaders Forum | 2018



Regional Snapshots | 2016-18



Regional Leadership Forum |



Discussion groups | 2015

Nearly
19,000
individual
touch points
from 2015-18



JPACT meetings | 2015-18



Regional Leadership Forum | 2016

Feedback from public and stakeholders: 4 priorities



Equity



Climate Smart



Safety



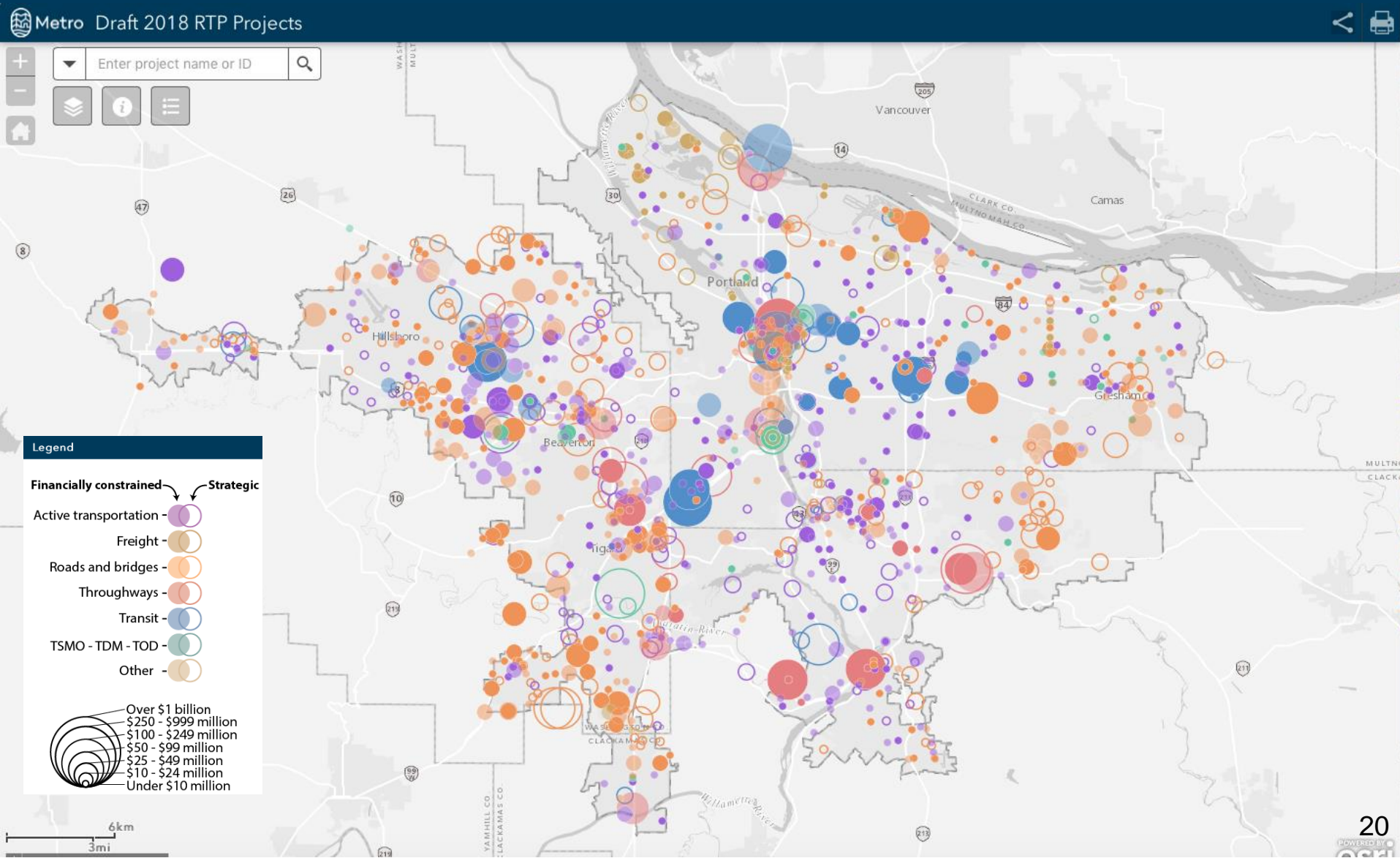
Congestion Relief

RTP Priorities

- **Equity** – Reduce disparities and barriers faced by communities of color and other historically marginalized communities
- **Safety** – Make the system safer, focusing on high-injury corridors, eliminating deaths and severe injuries, particularly among historically marginalized communities
- **Climate Smart/Travel Options** – Expand transit network and transit services, complete biking and walking network gaps and emerging technology to meet Climate Smart Strategy goals
- **Congestion relief** – Address congestion and travel demand through low-cost, high-value solutions

Draft RTP Constrained project list

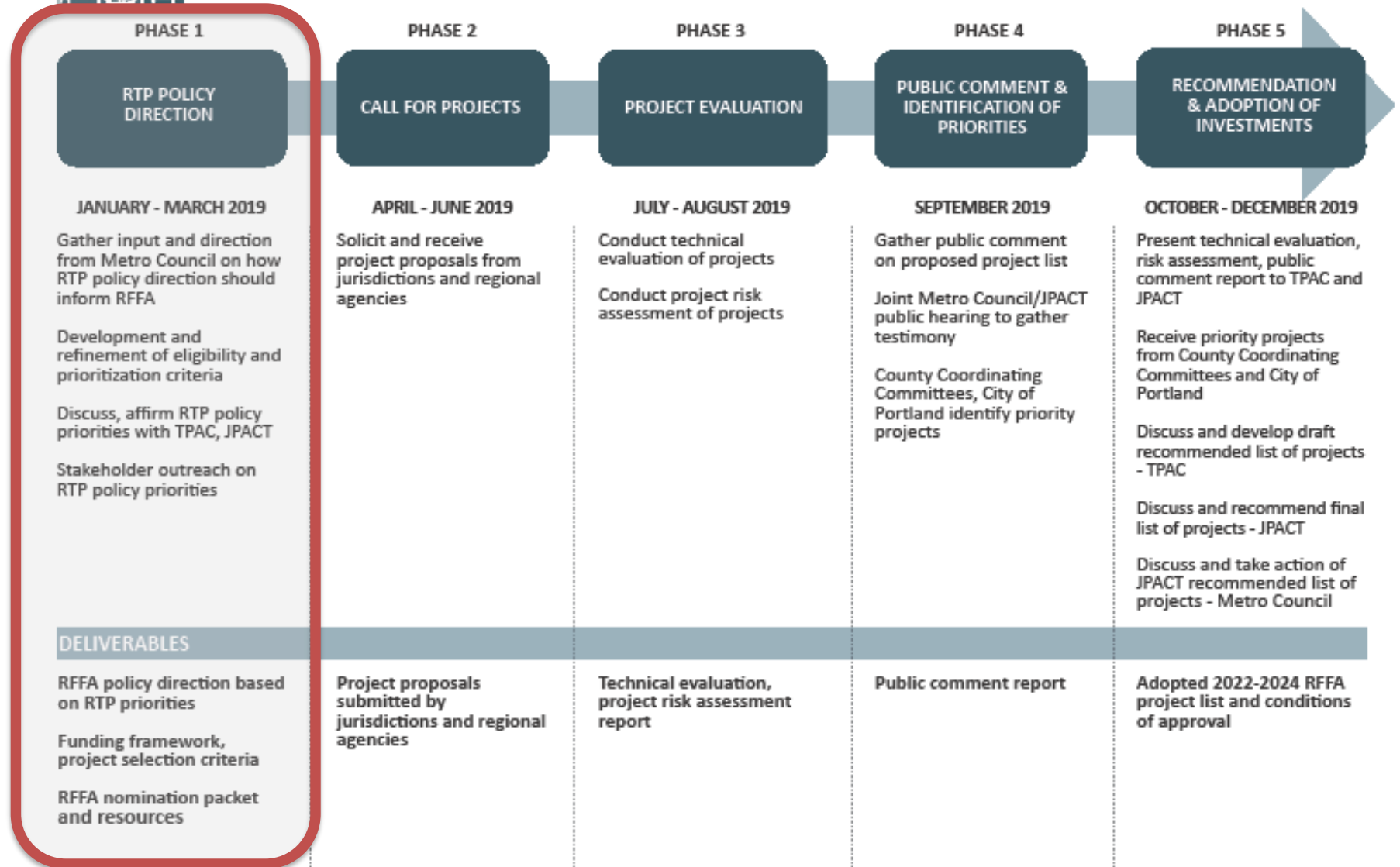
RFFA Projects must be on the RTP list



4. Policy Framework for Regional Flexible Funds Allocation 2022-24



2022-2024 REGIONAL FLEXIBLE FUND ALLOCATION Policy Update and Implementation Timeline



Existing RFFA framework

- Step 1 – Regional Investments
 - Bond payments
 - Region-wide programs (grants)
 - Regional planning
- Step 2 – Capital Projects & Project Development
 - Applications are submitted by our partners
 - Projects compete based on criteria

Step 2 – Capital Projects

For the past three RFFA funding cycles, JPACT and Metro Council have chosen to split Step 2 into two categories:

- Active Transportation (75%)
- Freight and Economic Development (25%)



2022-24 RFFA Funding Forecast

- Slight increase of federal funding through Federal Highway Administration
- Estimated increase of \$16 M from last cycle, after accounting for inflation
- Options:
 - Increase Step 2 (Proposed)
 - Increase Step 1 for specific needs

2022-24 RFFA funding scenario with an increase to Step 2

Step 1	19-21	22-24
Bond payments	63,160,000	65,470,000
Transit Oriented Development	9,870,000	10,804,264
Transportation Systems Mgmt/Ops	5,240,000	5,736,295
Regional Travel Options	9,290,000	10,160,243
Corridor & System Planning	1,870,000	2,047,614
MPO Planning	3,960,000	4,329,342
<i>subtotal Step 1</i>	<i>\$ 93,390,000</i>	<i>\$ 98,577,757</i>
Step 2		
Active Transportation (75%)	25,810,000	36,800,000
Freight/Economy (25%)	7,340,000	12,300,000
<i>subtotal Step 2</i>	<i>\$ 33,150,000</i>	<i>\$ 49,100,000</i>
total	\$ 126,330,000	\$ 147,677,757

Next steps

Gather input on policy direction:

- TPAC discussion – February 1
- JPACT discussion – February 21
- TPAC policy recommendation to JPACT – March 1
- JPACT takes action on policy framework – March 21

Council questions

- What are this Council's policy priorities for this RFFA allocation? Do they align with the 2018 RTP priorities?
- How should Council's policy priorities be reflected in Step 2?
- Other questions?