

TO: Marissa Madrigal, COO

FROM: Margi Bradway, Deputy Director, Planning, Development and Research Department

CC: Elissa Gertler, Director; Ted Leybold, Transportation Resource Development Manager; Rachael Lembo, Finance Manager

RE: ATTACHMENT A to Council Work Session Work Sheet: Proposal on allocation of COVID-19 Relief Funds

Date: Revised July 16, 2021

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## **Background**

In 2020, the Planning, Development and Research Department suffered losses from the economic downturn due to the COVID-19 pandemic. This required federal funds allocated to Metro as the regional Metropolitan Planning Organization (MPO) to be spread thin or reallocated for other uses. These financial changes resulted in a layoff of a senior planner on the Transportation Planning team with critical expertise and funds were unavailable to hire interns who play a critical role supplementing MPO needs in GIS, maps, graphics and layout of materials. In the Investment Areas team, the department lost the ability to pay an Engineer II who supported major projects and project development work throughout the department. These losses also impacted the Resource Development team because there was less staff support for joint efforts around project development. Federal funds for the Research team were also stretched thinner, making it difficult to pay for essential work items, such as a new database to improve efficiency and support modeling, data analysis and reporting work needed for the Regional Transportation Plan (RTP) update. Lastly funding for programs like Enhanced Transit, Transit Planning and Project Development were decreased, eliminated, or the funds simply ran out. In summary, the department experienced losses or decreases in staff capacity and/or resources in 2020 and 2021 in the following areas:

- Enhanced Transit Program (Better Bus Program)
- Transit Planning
- Project Development
- MPO Compliance
- Engagement, storytelling, graphics and GIS
- Emerging Technology Program

At the same time, the business needs for the Planning, Development and Research Department planning and program needs are the same and, in some cases, those needs have grown. For example, Metro Council has asked staff to perform more detailed climate change modeling and analysis of transportation investments and projects. Also, there is an increased expectation that Metro staff are engaged at the policy and technical level on the growing list of ODOT major projects in the region, including Rose Quarter, I-205, I-5 Bridge and Boone Bridge. In the past, this type of work would have been supported with project development funds. While staff have worked to obtain federal grants, request partner contributions, and establish Intergovernmental Agreement fund exchanges, those

efforts have not been enough to fill the financial gaps created by the pandemic. When comparing the 2019-20 budget to the 2020-21 budget, the Transportation Planning and Investment Areas teams individually have over a 10% deficit.

Fortunately, Congress is providing \$12,160,987 million (referred to as \$12.16 million in this memo) through the US Department of Transportation (US DOT) to Metro in “COVID-19 funds for MPOs” to make up for COVID losses. The federal funds are similar to Surface Transportation Block Grant (STBG) funds although US DOT made it clear in guidance that these funds can be used for staff and operations. In our federal consultation with the Federal Highway Administration (FHWA) and the Federal Transportation Administration (FTA), our federal partners encouraged Metro to use these funds for relief on impacted staff and MPO operations. There is no match for the funds, and they must be federally obligated by 2024. Staff are working with ODOT to try to de-federalize the \$12.16 million and we expect to hear back soon. The funds will most likely be transferred to Metro in the late summer of 2021.

### **Proposed Allocation of Funds**

Below is a proposal for the allocation of the COVID-19 Relief Funds. The proposed allocation takes into account previous policy direction from Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT), as well as the Department’s losses in 2019 and 2020. The programs and projects proposed for funding below are in the 2018 RTP and consistent with Unified Planning Work Program (UPWP) approved by Metro Council, JPACT and FHWA and FTA for 2021-22. The proposed allocation is also consistent with Metro Council’s adopted goals of equity, climate, congestion relief and safety for the transportation system.

Summary of proposed allocations of **\$12.16 million** to programs, spread out over 3 fiscal years:

- Better Bus Program - **\$6.16 million**
- Transit Planning - **\$2 million**
- Project Development - **\$2.1 million**
- MPO Compliance - **\$700,000**
- GIS, graphics, engagement and storytelling - **\$650,000**
- Climate Tracking and Monitoring - **\$600,000**

Staff are not currently proposing to restore the Emerging Technology Program; however, the hiring of a transit planner in the Transportation Planning section would allow more capacity for all staff to address emerging trends and emerging technology. Currently, transit planning, project development and emerging trends work are all delegated to a single planner and that is an unmanageable amount of work.

The business needs and proposed distribution of the COVID-19 Relief Funds are described in more detail below.

#### **Better Bus (\$6.16 million)**

This allocation would restore funding for an extremely effective Better Bus program, also known as Enhanced Transit Concepts (ETC), administered by Metro in partnership with TriMet in 2018 and 2019. \$5.11 million of the COVID-19 Relief Funds would be used to invest in ETC projects on local, county or

state streets that currently support bus transit. Metro staff would engage local cities and counties in the process. The programmatic funds can go towards ETC grants to local governments for capital projects or to provide local governments with technical capacity (engineering and project development) of ETC projects. The remainder covers the cost of a full-time existing FTE for a principal planner in the Investment Areas team for 3 years (approximately \$650,000), other contributions of existing technical staff (\$250,000), and materials and services to support the program (\$200,000). TriMet recently agreed to match the \$5.11 million in grant-like funds with another \$5 million, making a total of \$10 million available to our partners for Better Bus project development and projects.

#### Transit Planning (\$2 million)

The Department laid off a senior transportation planner as part of the budget cuts of 2020. This position originally supported regional transit planning, and was responsible for developing and shaping the Regional Transit Strategy and coordinating closely with TriMet on their service planning. This position also worked with some of the smaller transit agencies on local transit plans. In addition, as Metro struggled to meet the demands of the project development needs in the region, this position also worked on major projects. Allocation of COVID-19 Relief Funds in this area would allow Metro to address emerging transit issues and needs identified by Metro Council and JPACT, restore the senior planner position, and potentially recall former employees to support these efforts. Approximately \$570,000 would pay for a new full-time FTE for a senior planner on the Transportation Planning team for 3 years. The remaining \$1.43 million would be used to fund a region-wide transit service study by a consultant to analyze and report on opportunities, issues and barriers to transit in suburban and rural areas of Metro, and other transit planning needs as identified by JPACT.

#### Project Development (\$2.1 million)

The Department's budget for project development decreased in 2020 due to the reduction in Metro general funds. The overall funding for project development work decreased, but more importantly, Metro was unable to fill an FTE for an Engineer II that had been vacated. The Engineer II plays a critical leadership role in the Department and the region, leading design and input in corridor planning and project development for major projects as well as some of the smaller Regional Flexible Funding Allocation (RFFA) projects. Re-filling the Engineer II position for 3 years would require \$600,000 of these funds. Funding is also needed to provide two years of funding for an Engineering I position that is providing technical support on the Rose Quarter, I-5 Bridge and is only funded through the current fiscal year. A third position, a full-time (limited duration) Associate Planner beginning spring 2022, would provide the remaining capacity needed to complete the project development work. The Investment Areas team also needs \$500,000 in funding to staff and manage corridor studies, which can also be used to leverage federal or state funds for new corridor plans underway, like 82<sup>nd</sup> Avenue and TV Highway. Lastly, \$200,000 of these funds would go to support a Risk Assessment Analysis, public engagement with our equity partners and project development of the Regional Flex Fund projects.

In summary:

- 82<sup>nd</sup> Avenue Corridor Plan - **\$500,000** to City of Portland, **\$300,000** for Metro staff to partner
- TV Highway Corridor Plan - **\$500,000** for Metro staff to lead project and match federal grant
- I-205 and/or I-205 Tolling Project - **\$300,000** for engineering staff to support project
- Rose Quarter - **\$300,000** for engineering staff to support project
- Regional Flex Fund Projects - **\$200,000** for risk assessment of project proposals

#### MPO Compliance (\$700,000)

On April 12, 2021, the US DOT issued Metro's federal certification. The letter included corrective actions and recommendations to improve Metro's process for how Metropolitan Transportation Improvement Program (MTIP) funds are estimated and organized. The US DOT also recommended that Metro do a more detailed analysis in our Congestion Management Plan (CMP) as part of the next RTP update. For the MTIP, Metro staff have spent years identifying and researching Metro's needs for a new database which will improve efficiency of how the MTIP is managed and improve communication with US DOT and ODOT. This will require the MPO to purchase proprietary Software as a Service, and Metro plans to issue an RFP. Staff are expecting response to RFP to include a cost structure that is a combination of up-front development work and on-going annual fee for maintenance and tech support. Costs will be approximately \$500,000, which includes an estimate of ongoing payment for 3 – 5 years. An additional \$200K will allow the Research team to support the database and perform the additional modeling, data analysis and reporting work needed in the upcoming RTP for the CMP. In short, these funds will be used to respond to the US DOT corrective actions and recommendations. (No new FTE).

#### GIS, graphics, engagement and storytelling (\$650,000)

The Storytelling Program was eliminated during the 2019 budget cuts. That program was key in reaching different audiences and relating technical work in understandable language to a wider audience, particularly to underserved and BIPOC communities. The Planning, Development and Research Department also relies on GIS maps and GIS visuals to communicate plans, policies and programs. In 2020, GIS analysts in the Research Center were laid off, and department did not have the funding to hire three intern positions. In the past, much of the MPO work has been solidly supported by temporary interns – one GIS intern and two interns in the planning section. Interns have provided support in GIS mapping, graphics, engagement, storytelling and layout of reports and communication materials. The Department has a need for more GIS and graphic support for all of projects and programs. The \$400K could be used to re-hire interns that provided this type of support, or hire a limited term assistant position either as an Assistant Planner or an Assistant GIS Specialist to support our work. In addition, \$250K would be used to fund half of a Program Coordinator for 3 years to support communication for department leadership, repurposing the part time administrative support capacity that was eliminated due to COVID-19 related budget cuts.

#### Climate Monitoring and Analysis (\$600,000)

Metro's Climate Smart Strategy and meeting Metro's regional climate goals is a Council priority. Metro staff currently lack the resources and capacity to respond to the requests of Metro Council and stakeholders regarding the monitoring of GHG emissions. Furthermore, the practice and science of

climate modeling, analysis and monitoring continues to change and Metro needs resources to test new modeling and new tools. This \$600,000 allocation would allow Metro to hire a consultant and/or acquire tools to monitor our progress on Climate Smart goals and/or measure the climate impacts of certain investments, putting Metro in a better position for the next RTP in 2023 and potential future transportation measures. (No new FTE).

## Conclusion

In summary, the proposed allocation of the \$12.16 million in COVID-19 Relief Funds will help the Department recover from some of the economic losses due to the COVID-19 pandemic and allow staff to be responsive to Metro Council, the US DOT, JPACT, and other key stakeholders in a manner that furthers Metro's goals around equity, climate, safety and congestion relief. All of the allocations above are in a 3-year time period, from July 1, 2021 to June 30, 2024. This allocation of the COVID-19 funds does not take into account other funding that may be available in the 2021-22 fiscal year.

REFERENCE: TABLE A

Budget Summary	Better Bus Program	Transit Planning	Project Development	MPO Compliance	GIS, Graphics, Engagement and Storytelling	Climate Monitoring and Analysis	Total
Personnel	900,000	570,000	1,400,000	200,000	650,000	-	3,720,000
Metro M&S	100,000	1,430,000	200,000	500,000	-	600,000	2,930,000
Payments to partners	5,010,000	-	500,000	-	-	-	5,510,000
<b>Total</b>	<b>6,010,000</b>	<b>2,000,000</b>	<b>2,100,000</b>	<b>700,000</b>	<b>650,000</b>	<b>600,000</b>	<b>12,160,000</b>

REFERENCE TABLE B

Proposed Allocation of COVID-19 Relief Funding				
Program	Amount	External to partners	Metro FTE/ 3 years	M&S/3 years
Better Bus/ETC Program	\$6.11 M	\$5.11 M	<del>\$650,000</del> <del>\$750,000</del> for existing FTE (transportation planning)	\$150,000 - <del>\$200,000</del> administration of program, consultant
Transit Planning	\$2.0 M		<del>\$1.4 M</del> <del>\$570,000</del> - New/recall Senior Transportation Planner (Limited Duration)	\$1.4 M — <a href="#">Regional transit planning study</a> Transit Service Study, <a href="#">micro-transit</a>
Project Development	\$2.1 M	\$500,000	\$ <a href="#">1.1</a> M to support existing FTE (engineering) <a href="#">and</a>	82 <sup>nd</sup> Ave, TV Highway and other major projects

			<a href="#">new limited FTE planner</a>	
MPO Compliance	\$700,000		N/A	\$700,000 - TIP database, asset management
Engagement, graphics and GIS support	\$650,000		\$ 400,000 for new assistant analyst (Limited Duration), and/or interns	\$250,000 – materials and services for engagement, and/or GIS analysis and tools
Climate Tracking and Monitoring	\$600,000		N/A	New tools and consultant support to model Climate Smart