2020 Project Selection Process

Transportation Policy Board
January 9, 2020
Presentation Overview

- Overview of the Project Selection Task Force
- Background on PSRC Funds and Project Selection
- Task Force Recommendations
- Project Selection Schedule
- Recommended Action on 2020 Policy Framework for PSRC’s Federal Funds
Project Selection Task Force

- Project Selection Task Force representation
  - Volunteers solicited from PSRC’s four Boards
  - 31 members met four times between September – December 2019

- Purpose:
  - Review key policy issues and administrative procedures for PSRC’s project selection processes
  - Recommend the *2020 Policy Framework for PSRC’s Federal Funds* to the Transportation Policy Board
Under the FAST Act, PSRC is expected to receive $270 Million annually in federal transportation funds:

**Federal Highway Administration (FHWA) ~$80m**
- Two funding programs, specific eligibility requirements for each
  - Surface Transportation Block Grant Program [STP]
  - Congestion Mitigation and Air Quality Improvement Program [CMAQ]
- In general, can fund roadway, transit, bicycle/pedestrian, ITS, equipment, etc.

**Federal Transit Administration (FTA) ~$190m**
- Four funding programs, specific eligibility requirements for each
- Projects must be transit-related
Federal Requirements

• Regional Transportation Improvement Program (TIP) updated at least every 4 years
  • Currently funded transportation projects – federal, state, local funds

• Public comment and review opportunities

• Competitive project selection process of PSRC’s federal funds required
Policy Framework

Policy Framework for PSRC’s Federal Funds

• Adopted prior to each funding cycle
• Funds distributed approximately every 2 years
  • *Program funds into the future*
  • *2020 process will distribute FFY 2023-2024 funds*
• Based on VISION 2040 policies
  • *Support for centers and the corridors that serve them*
• Provides board direction for project selection
• Detailed policies and procedures for conducting the process
# Project Selection Background

## Federal Highway Administration Funds | Federal Transit Administration Funds

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All processes will:

- Follow policy direction from Board, as adopted in the *Policy Framework for PSRC’s Federal Funds*

- Follow regional policies and procedures
  - Consistent with VISION 2040, the regional transportation plan, project tracking policies
  - Consistent with local comprehensive plans
### Key Policy Framework Issues

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<th>Administrative Issues</th>
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Task Force Recommendations

Funding Estimates:

- FFY 2023-2024 funds to be estimated using a modest growth rate of 2% per year applied to the average annual allocations from the current federal transportation act.

Policy Focus:

- Retained as support for regional growth and manufacturing/industrial centers for the regional FHWA competition; regional, countywide and local centers for all other competitions.

Contingency Lists:

- Retained existing procedure of creating prioritized contingency lists, should additional funds become available prior to the next cycle.
Task Force Recommendations

Number of Regional Applications:
- Retained at a total of 36 for the regional FHWA competition (12 King County, 6 each for Kitsap, Pierce and Snohomish Counties, 2 each for regional agencies – WSDOT, PSCAA, Sound Transit); no limit for the regional FTA competition

Split of Funds Between Processes:
- Retained the 50% / 50% split of funds between the FHWA regional / countywide competitions, after set-asides are applied; retained the FTA regional / earned share distribution:
  - Seattle-Tacoma-Everett Urbanized Area (UZA) = ~14% regional competition / ~86% earned share distribution
  - Bremerton, Marysville UZAs = one transit agency, earned share distribution only
Task Force Recommendations

Amounts by Source in FHWA Competitions:

- Retained existing process of pre-determining amount of FHWA funds by source, by competition

Funding Limits:

- Recommended limit on FHWA regional applications at 50% of available annual funding by source; no limit recommended on FTA regional applications

Preservation Set-Asides:

- Retained FHWA preservation set-aside at 20%, with 5% added back to countywide processes; retained FTA preservation set-aside at 45% of regional pot
Task Force Recommendations

Bicycle/Pedestrian Set-Aside:
- Retained bicycle/pedestrian set-aside at 10% of FHWA funds

Rural Town Centers & Corridors Program:
- Recommended set-aside at 10% of regional portion of FHWA funds

Kitsap County Methodology:
- Retained existing distribution methodology

FTA Minimum Floor Adjustment:
- Recommended retention of existing minimum floor adjustment, capped at 2015 levels
Task Force Recommendations

PSRC Work Program:

- Retained set-aside of $1 million of FHWA STP funds, and $1.25 million of FTA funds per year

Project Evaluation Criteria:

- Retained criteria from 2018 process, which include:
  - Support for housing, employment and the development plans of a center
  - Health and equity
  - Improved accessibility, circulation, mobility and provision of a range of modes
  - Active transportation
  - Safety and security
  - Reduction of emissions
  - Project readiness / feasible financial plan
Project Tracking System in place since 2003

**Goal = Efficient use of PSRC funds**

- Projects are delivered in a timely manner, cost of delays are minimized
- Policies updated over time
- Current policies address annual delivery target for FHWA funds
  - Firm obligation deadlines
  - “Use it or Lose it”
  - Delivery = annual allocation
  - Each project award tied to a specific fiscal year
Task Force Recommendations

Project Tracking Policies:

- Changes to FHWA obligation deadline extensions
  - No longer automatically granted – rather, identification of reasons not allowed
  - Earlier date for requesting extensions
  - Two tiered process for approving extensions
    - First deadline = July 15th, for projects needing only a short extension after the June 1st deadline
    - Second deadline = no more than one additional year (to June 1 of following year), for projects needing more time; requires PSRC Board approval
  - Enhanced education and monitoring
Task Force Recommendations

Hardship Policy:

- In June, board requested staff prepare a “hardship” proposal for incorporation into the project tracking policies
  - Intent was to limit special exceptions needing to be addressed

- Per staff analysis, modest policy revision recommended
  - Existing exceptions parameters in policies seem adequate
  - Propose adding a clause for requests for emergency / additional funding that ties these requests to current contingency or supplemental funding actions
2020 Project Selection Schedule

September to December 2019 – Task Force prepares recommendations on policies and procedures to the Transportation Policy Board

January 2020 – 2020 Policy Framework adopted

February to July 2020 – Project selection process conducted; project recommendations to Board in July

September 2020 – Public comment on Draft 2021-2024 Regional Transportation Improvement Program (TIP)

October 2020 – Board adoption of 2021-2024 Regional TIP

January 2021 – Federal approval of TIP
Call for Projects

Call for projects will include:

- Online application materials
- Guidance on addressing the evaluation criteria
- Online resources including a web map to assist in completing applications

Workshops will be held in each of the four counties

An eligibility review of every project will be conducted prior to final submittal of applications
The Transportation Policy Board is asked to:

Recommend the Executive Board approve the policies and procedures for the 2020 project selection process, to be documented in the 2020 Policy Framework for PSRC’s Federal Funds.
Thank You

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