

2022 Policy Framework for PSRC's Federal Funds

Executive Board
January 27, 2022



Puget Sound Regional Council

Today's Presentation and Action

- **Project Selection Process for PSRC's Federal Funds**
 - Background on PSRC funds and process
 - Summary of Project Selection Task Force recommendations
 - Summary of public comments
 - Schedule and next steps
 - **Recommendation on 2022 Policy Framework for PSRC's Federal Funds**



Project Selection Process for PSRC's Federal Funds

PSRC has project selection authority over specific sources of funds from the **Federal Highway Administration (FHWA)** and the **Federal Transit Administration (FTA)**

- ~\$90 million of FHWA funds per year
 - Several funding programs, specific eligibility requirements for each
 - In general, can fund roadway, transit, bicycle/pedestrian, ITS, equipment, etc.
- ~\$200 million of FTA funds per year
 - Several funding programs, specific eligibility requirements for each
 - Must be transit-related



Federal and State 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



Process Details

Federal Highway Administration Funds	Federal Transit Administration Funds
Regional Competition	Regional Competition
Countywide Competitions	Earned Share Distribution

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 2050 and the Regional Transportation Plan
 - Consistent with local comprehensive plans

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*
 - *2022 process will distribute FFY 2025-2026 funds*
- Based on VISION policies
 - *support for centers and the corridors that serve them*
- Provides board direction for project selection
- Detailed policies and procedures for conducting the process



Recommending Forums

Committees recommend to Transportation Policy Board; Executive Board makes final decision

FHWA processes:

Regional – Regional Project Evaluation Committee

Countywide forums –

- King County Project Evaluation Committee
- Kitsap Regional Coordinating Council
- Pierce County Transportation Coordinating Committee
- Snohomish County Infrastructure Coordination Committee

FTA process:

Regional FTA Caucus, Transportation Operators Committee



Project Selection Task Force

- A Project Selection Task Force is convened prior to each process
- Volunteers solicited from each of PSRC's four Boards:
 - *Transportation Policy Board*
 - *Growth Management Policy Board*
 - *Economic Development Board*
 - *Executive Board*
- Purpose =
 - ✓ Review key policy issues and administrative procedures for PSRC's project selection processes
 - ✓ Recommend the *Policy Framework for PSRC's Federal Funds* to the Transportation Policy Board

Project Selection Task Force: Key Issues

Policy Issues

- Policy Focus (*support for centers and the corridors that serve them*)
- Set-Asides
- Project Tracking and Delivery Provisions
- Project Evaluation Criteria

Administrative Issues

- Estimated Funding Amounts
- Funding Splits by Competitions
- Number of Applications / Request Limits for Regional Competitions
- Contingency List Procedures



Project Evaluation Criteria

Project Evaluation Criteria include the following elements:

- Support for development of the center(s) (including housing / employment)
- Benefit to user groups
- Benefit to key demographic groups including people of color, people with low income, older adults, people with disabilities, highly impacted communities, areas of high/chronic unemployment/underemployment
- Mobility, accessibility, circulation
- Safety
- Active transportation
- Air quality / climate
- Project readiness

Policy
Criteria

Technical
Criteria



2021 Project Selection Task Force

- Over 40 board members met between April and November 2021 to review the policies and procedures for the upcoming 2022 project selection process
- Specific recommendations =
 - Retention of previous procedures and set-asides
 - Strengthening criteria related to safety and equity
 - Development of a new Equity Pilot Program, in collaboration with the EAC
 - Releasing the draft *Policy Framework* and recommendations for public comment



Task Force Recommendations - Administrative

Funding Estimates:

- Estimate of FFY 2025-2026 funds at 2021 final allocation levels

Funding Splits by Competitions:

- Retained the 50% / 50% split of funds between the FHWA regional / countywide competitions, after set-asides are applied
- FTA funding splits to be determined, *pending further board discussions on the FTA funding process*



Task Force Recommendations - Administrative

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

Amounts by Source in FHWA Competitions:

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



Task Force Recommendations - Administrative

Funding Limits:

- Retained limit on FHWA regional applications at 50% of available annual funding by source
- No limit on FTA regional applications

Contingency Lists:

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



Task Force Recommendations - Policy

Policy Focus:

- Per VISION 2050 -- support for regional growth and manufacturing/industrial centers for the regional FHWA competition; regional, countywide and local centers for all other competitions

Preservation Set-Asides:

- Retained FHWA preservation set-aside at 20%; retained FTA preservation set-aside at 45% of regional pot

Bicycle/Pedestrian Set-Aside:

- Retained bicycle/pedestrian set-aside at 10% of FHWA funds



Task Force Recommendations - Policy

Rural Town Centers & Corridors Program:

- Retained set-aside at 10% of regional portion of FHWA funds

Kitsap County Methodology:

- Retained existing distribution methodology

FTA Minimum Floor Adjustment:

- *Pending further board discussions on FTA funding process*

PSRC Work Program:

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



Task Force Recommendations - Policy

Project Tracking and Delivery:

- Updates to definition of “emergency” relating to funding requests:
 - The need is due to a situation that was unpredictable and for which the sponsoring agency could not have planned; AND
 - The facility / project has been impacted by a natural disaster or catastrophic event; or
 - The facility / project is experiencing a major safety issue; or
 - There are or will be significant impacts to the regional system and/or local population / employment centers if the need is not addressed

The existence of a funding shortfall by itself is not considered to meet the threshold of an emergency under these procedures.



Task Force Recommendations - Policy

Project Tracking and Delivery:

- Updates to definition of “emergency” relating to funding requests:

Proposed “offsets” to subsequent competitions =

- Considered on a sliding scale basis, taking into account:
 - The size of the emergency funding request;
 - The level of effort by the agency to fill the funding gap; and
 - The funding caps placed on award amounts as adopted in the *Policy Framework for PSRC’s Federal Funds*

If the emergency is due to a disaster (natural or human caused), it is proposed that no limitations on future funding competitions be placed



Task Force Recommendations - Policy

Equity Criterion:

- Stand-alone criterion with increased point values (10 points)
- Expanded elements, addressing:
 - Additional focus groups
 - ❖ People with limited English proficiency, immigrants and refugees and transit dependent populations
 - Disparities / gaps in the transportation system
 - How community outreach will / has influenced project development
- Expanded guidance and resources



Task Force Recommendations - Policy

Safety Criterion:

- Stand-alone criterion with increased point values (6-8 points)
- Expanded elements, addressing:
 - Protection of vulnerable users, through improved bicycle and pedestrian safety
 - Reduced reliance on enforcement and/or project design for decreased speeds
 - Influence of adopted safety policies on project development
- Expanded guidance and resources



Task Force Recommendations - Policy

Additional Considerations:

- Added non-scored element, addressing Apprenticeship Utilization Programs or Ordinances or programs that prioritize the use of local hire and the diversification of the workforce



Proposed Equity Pilot Program

- Proposed new set-aside for an **Equity Pilot Program**
 - Funded with 5% set-aside of FHWA funds (*former delta from preservation set-aside*)
 - Proposal to work with the EAC on development of the program from the beginning
 - Propose to begin the development process in September 2022, specifically to:



Proposed Equity Pilot Program

- ❖ evaluate the outcomes of the 2022 project selection process and the effectiveness of the equity and safety criteria revisions;
- ❖ advise on the scope, eligibility and criteria for the equity pilot competition;
- ❖ advise on procedural roles and responsibilities for conducting the competition; and
- ❖ ultimately advise on next steps and the 2024 project selection process



Summary of Public Comments

- 21 comments received
- Very diverse set of topics
- In general, support for the revisions
- Some comments suggesting alternate ways of addressing equity (geographic, modal) and one in opposition
- Some comments suggesting a broader look at other modes in general
- Some comments wanting to look deeper into the evaluation of modes, e.g. light rail



Summary of Public Comments

- A few comments requesting specific investments in specific locations
- A few comments pertaining to topics / policy decisions outside of this scope
- Some comments suggesting broader regional data and evaluation work to be applied in project selection
- Also comments from Project Selection Task Force members suggesting additional revisions



Schedule and Next Steps

- January 2022 – *Policy Framework for PSRC’s Federal Funds* adopted
- February 2022 – Call for projects launched
- July 2022 – Project funding recommendations presented to PSRC boards
- September 2022 – Public comment period on full 2023-2026 Regional Transportation Improvement Program (TIP), including project funding recommendations
 - ***Propose to begin Equity Pilot Program development with EAC***
- October 2022 – adoption of 2023-2026 Regional TIP
- January 2023 – federal and state approvals



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



Recommended Action

The Executive Board is asked to:

Approve the *2022 Policy Framework for PSRC's Federal Funds*

- *Including the revisions proposed by the Project Selection Task Force and as recommended by the Transportation Policy Board*

