



## FLEXIBLE FUNDS PROGRAM

FALL 2011

### Introduction

On August 25, 2010, the Oregon Transportation Commission (OTC) approved the Flexible Fund Program Purpose Statement, Vision and Criteria. The OTC directed that staff initiate a project solicitation process immediately, and return to the Commission in January of 2011 with Transit, Bicycle and Pedestrian and Transportation Demand Management (TDM) Projects for the OTC to consider for funding. The OTC considered those projects in January 2011 and approved the project list in February. This application will be used to generate projects for the second round of funding for the Flexible Funds Program. It's anticipated that the OTC will consider these projects in early 2012.

### A. Key Program Characteristics

**Focus:** The program funds Multimodal and Non-highway Transportation Projects, Programs and Services: Transit, Bicycle, Pedestrian, TDM, and the planning, research and project development that supports those projects, as well as related programs and services.

**Funding available:** The Program has approximately \$21 million in funding available for eligible projects for this application cycle.

**Eligibility:** Government entities eligible to receive Surface Transportation Program (STP) funds provided to the Oregon Department of Transportation by the Federal Highway Administration (FHWA) or through transfers to the Federal Transit Administration (FTA) programs are eligible to apply for the funds.

**Match requirements:** Applicants must identify the required minimum 10.27% match for FHWA funding.

**Project size:** The minimum project size is \$50,000 (federal share excluding match) and the maximum project size is \$2.1 million (federal share excluding match).

**Application cycle:** Applications must be received by **4 p.m. Thursday, October 20, 2011.**

**Project selection process:** Applications will be evaluated by an Oregon Department of Transportation (ODOT) Internal Review Committee and the highest rated applications will be recommended by the Committee to the OTC for consideration for funding.

### B. Program Purpose Statement

A portion of the flexible federal funds available through the FHWA STP Program will be used to support sustainable non-highway transportation projects, programs and services that positively impact modal connectivity, the environment, mobility and access, livability, energy use and the overall operation of the transportation system.

### C. Program Vision

Projects identified for these funds should help create livable and sustainable communities where multimodal transportation facilities, services and programs provide safe, comfortable and convenient options that support active living.

Projects should provide equitable options for accessing housing, jobs, services and educational and recreational opportunities. The outcomes of these investments will help Oregonians access transportation choices and enhance energy independence and sustainability.

## **D. Program Background**

Increased focus around the interrelated issues of connectivity, the environment, mobility and access, livability and the need for sustainable energy sources has enhanced the ways to respond to Oregon's transportation needs.

Heightened demands on the system coupled with limited funding for highway improvements have encouraged ODOT, with the assistance of stakeholders, to consider investing in a wide range of multimodal and/or non-highway transportation strategies.

Redirection of a portion of FHWA STP, or flex funds, based in part on direction from the 2009 session of the Oregon Legislature and the Oregon Transportation Plan (OTP), has created opportunities to increase the investment in these non-highway strategies.

The Flexible Fund Program recognizes the importance of good community planning through Transportation System Plans (TSPs), local codes and ordinances, and other planning efforts. The program strategically focuses investments in non-highway transportation projects, programs and services. Emphasis is placed on projects that add to or enhance the transportation system. Potential investments could also include projects that would preserve critical transportation assets that risk losing their functionality without additional investments.

The Flexible Funds Program also considers sustainability. Sustainability is using, developing and protecting resources in a manner that enables people to meet current needs while protecting future generations' ability to meet their needs from the joint perspective of environmental, economic and community objectives.

For the purposes of this program, non-highway is bicycle/pedestrian, transit and TDM activities. The Flexible Funds Program is currently established to target STP funds made available by the OTC without affecting the current funding levels of other programs that use flexible STP funds. As this program is funded with federal STP funds, all proposed projects must meet federal STP funding requirements.

## **E. Program Goals and Project Eligibility**

The use of federal flexible funds will further development of a multimodal transportation system that is interconnected, safe, seamless and increasingly looks to non-highway solutions that are:

- Interconnected/multifaceted
- Environmentally Sensitive
- Sustainable, and
- Foster livability as well as provide Oregonians with better access and more transportation choices

Projects likely to be funded include transit, bicycle and pedestrian, transportation demand management, and the planning, research and project development that supports those projects as well as related programs and services. Up to 10% of the funds available may be used for plans or projects that need additional work before they are ready for construction or implementation. Note that it is not the intent of this program to fund administrative expenses.

Applications for funding will be screened based on the requirements described below in F. To be further considered for funding, applications must meet all of the basic requirements. Applications that meet those basic requirements will then be further considered and evaluated based on how well they respond to the requested information in Part 3 of the Application.

## **F. Basic Requirements for Project Consideration**

Projects must meet all Basic Requirements to be further considered for funding:

1. Project demonstrates consistency with FHWA or FTA requirements for eligibility, and funding requirements for the STP Program.

2. Project is sufficiently developed to be ready for construction or implementation. A project is considered ready if it meets the timeline milestones below:
  - Construction begins 9/30/13 and is completed by 12/31/14.
  - Non-construction projects must obligate funds by 9/30/12 and complete or implement by 12/31/14.
3. Applicant is a governmental entity and is eligible to receive STP funds.
4. The Funding level requested is within the range identified for this program. The minimum project size is \$50,000 (federal share excluding match) and the maximum size is 10% of the available program funding, or approximately \$2.1 million (federal share excluding match).
5. Applicant has identified the required minimum 10.27% match for FHWA funding.
6. Project demonstrates local political and financial support as well as coordination with affected transportation providers and authorities and other necessary operational partners without whom the project could not move forward.

The applicant recognizes that flexible federal funds, for the purpose of this program, mean those STP funds that the OTC has decided to make available for non-highway purposes for this program. Determination of Basic Qualifications/Eligibility for Round-Two projects will be made by an ODOT Assessment Team comprised of modal experts from within the Agency.

### **G. Program Criteria**

Projects will be evaluated in part based on how the applicant responds to the following criterion. Within each of the four categories below, strong applications may receive up to the maximum number of points per category.

Applicants will be evaluated based on how well they respond to the overall intent of each category (i.e. “Sustainability”) rather than scored on each specific criterion within the category.

- A. Connectivity, integration and overall benefit to the transportation system
  1. Plans for/contributes to the development of a “seamless” multimodal transportation system.
  2. Plans for/connects modes or serves multiple modes.
  3. Completes/extends a critical system or modal link.
  4. Helps preserve a critical non-highway facility, service or program.
  5. Enhances the user experience.
- B. Environmental Sustainability
  1. Plans for/contributes to improved environmental quality (i.e. GHG Reductions).
  2. Reduces VMT.
  3. Plans for/contributes to the use of sustainable energy sources for transportation.
  4. Reduces exposure of the population to air pollution.
- C. Community Livability and Sustainability
  1. Plans for/contributes to the development of livable communities.
  2. Supports/preserves/creates long term employment.
  3. Plans for congestion mitigation/mitigates congestion.
  4. Enhances the user experience.
  5. Plans for/links workers to jobs.

#### D. Mobility, Access and Health

1. Plans for/expands transportation choices for all Oregonians.
2. Plans for/expands or protects mobility for public transportation dependent users including minorities, senior and disabled, low income and youth.
3. Plans for/extends access to goods and services.
4. Contributes to a healthy, active lifestyle.

#### H. Project Selection

Project applications will be screened for further consideration based on their responsiveness to the requirements listed in Part 1 of the application. Applicants must satisfactorily respond to all of the requirements in Part 1 or the application will not receive further consideration for funding. Applications will be evaluated by members of the ODOT Internal Review Committee for the Flexible Funds Program.

Note: In some cases, applications may be returned to the applicant with a request for clarifying or for additional information. Applicants will have 24 hours or until the end of the next business day to resubmit their applications with the requested information.

Projects that have been screened by the Review Committee and recommended for further consideration will be evaluated based on how well they respond to Part 3 of the application.

Projects will be ranked by the Review Committee based on their application scores.

Projects ranked by the Review Committee will be recommended by the Review Committee to the OTC for further consideration for funding.

Projects selected for funding by the OTC will be funded based on OTC direction.

Successful applicants will be notified by the ODOT.

Construction/implementation schedules will be determined cooperatively by ODOT and the Applicant. Timeliness is an important factor for this program. Applicants are reminded that project readiness is a basic requirement that must be demonstrated before a project will be further considered. Projects that need and do not yet have right of way will be carefully assessed for their readiness. Please note that some projects may reduce the vehicle carrying capacity of a state highway. ORS 366.215 states that the OTC may not permanently reduce the vehicle carrying capacity of an identified freight route. Specific exceptions to this prohibition are allowed by statute. ODOT staff have developed guidance on this issue that is available at: <http://www.oregon.gov/ODOT/TD/TP/OR366.215.shtml>.