

## Federal Funding Policy: Member Agency Comments Summary

MPO staff held two Technical Committee subcommittee meetings, solicited written feedback, and met with agencies who requested meetings for further discussion, such as the City of Durham, the Town of Carrboro, and the Town of Chapel Hill. Comments from the first subcommittee meetings and MPO responses to written comments from local agencies are provided here.

In these meetings, the following changes proposed in the draft Regional Flexible Funding Policy elicited the most concern from the MPO's member agencies:

### **1) Loss of local discretionary funding will adversely affect smaller agencies**

- DCHC MPO is thought to be the only MPO in North Carolina that provides funding to its member agencies based on population.
- The FHWA requires MPOs to use a competitive process to distribute federal funds such as STBGDA, CMAQ, and TAP.
- "The Innovative MPO" by Transportation for America suggests blending funds to create one funding pool and cites MPOs that have successfully blended funds to maximize project eligibility.
  - Some MPOs that blend funds include Atlanta Regional Commission, Portland Metro, Denver Regional Council of Governments, CAMPO, and CRTPO.
- Benefits of a blended funding pool include:
  - Smaller agencies will not need to bank funding over many years to implement a project
  - Larger funding pool available to all applicants, including larger agencies, as no funding is banked
  - Fit funding to projects instead of fitting projects to funding
  - For agencies that bank funding for shortfalls, all shortfalls will be prioritized before new projects are funded

### **2) Loss of flexibility due to a more quantitative funding process**

- In the spring 2021, the MPO Board directed LPA staff to update the federal funding policy due to concerns about the methodology used to recommend CMAQ projects for funding during the FY22 funding cycle.
- Board members and local staff both supported a more quantitative process. MPO member agency staff subsequently provided feedback on a quantitative rubric developed by MPO staff for the second half of the FY22 call for projects.
- The draft policy lays out a procedure for a transparent and predictable application process. Rubrics are decision making tools for staff to make recommendations to the MPO Board.
- The MPO Board ultimately votes on which projects will receive funding and may exercise discretion should local agencies need shortfall funding outside of the window of an official call for projects or should a project considered of MPO-importance not score well on the rubric.

**3) Maximum funding request caps will limit selection of the best projects and limit the MPO's ability to address equity in planning efforts (MPO too focused on fair geographic distribution of funds)**

- As a regional organization, the MPO must balance the needs of all of its member agencies in the interest of creating a robust and equitable regional transportation system.
- Ensuring that all agencies can access funds is not the end goal of the policy, but a means to an end. Ensuring that all member agencies have access to federal funds supports implementation of projects throughout the region, which is necessary to create an effective regional transportation network.

**4) Concerns that the policy favors large agencies or small agencies**

- MPO staff have heard concerns from larger and smaller agencies that the draft policy adversely affects their agency for a variety of reasons.
- The policy recognizes that large agencies have advantages in scoring due to density and resources that may allow them to submit projects that may score better due to preliminary planning or engineering.
- As such, the draft policy proposes guidelines that are intended to ensure that smaller agencies are not excluded from the RFF program, such as funding requests maximums and minimums and points on the rubric in future years for agencies that have not received funding.
- The policy therefore attempts to thoughtfully balance the needs of all agencies within the MPO to maintain the fair geographic distribution of projects for the reasons described above.
- Staff is recommending a review of the policy one year after it is implemented and after that, every time a new MTP is adopted (beginning with the 2055 MTP). If the data show that the policy favors larger or smaller agencies, adjustments should be made to ensure that all agencies in the MPO have access to funding that will allow them to contribute to building a robust regional transportation system.

For other comments and LPA responses, see below. Comments may have been edited for clarity or to add context.

## **Town of Carrboro Comments**

### **General**

We understand the intent to streamline and keep projects moving, but this may inadvertently make things more difficult for the smaller jurisdictions to complete for and receive funds. It seems like it would be beneficial to make this funding as flexible as possible.

The MPO Board has requested that staff come up with a more quantitative process for selecting projects, which reduces flexibility. The MPO Board makes all final funding decisions, and therefore can make exceptions to stipulations laid out in the policy.

### **Statement of Values**

Will the TC see all of the applications? How much time will need to be dedicated toward preparing these applications to ensure a reasonable level of success?

Yes, we can provide all applications to the TC along with scores. Applications should take no more than a few hours to prepare. MPO staff will use Shapefiles provided by applicants to do data analysis, which is usually the most time consuming part of applying for grants (in my experience).

### **RFF**

Is this a DCHC-MPO approach or are all MPOs transitioning to this type of organization structure?

Most MPOs have some sort of policy that governs the distribution of federal funds. We already have one, but it is not very quantitative. We are updating the policy at the request of the MPO Board.

What is the 5-year transition period?

Initially, this referred to the time period for transitioning away from MPO-funded staff work in local jurisdictions. We have decided to move away from the staff funding discussion for the time being. Agencies will now have 5 years to use up any banked local discretionary funding.

### **Number of Projects**

- Call for Projects - Please consider holding calls for projects twice a year. If a project runs into an overrun—waiting a full year to resolve will be problematic.

We don't have MPO staff capacity to do two calls a year. We can be flexible when it comes to shortfall funding requests.

- A month notice is probably not enough for jurisdictions that have to request Board/Council permission to request funding/new projects.

We'll provide a general schedule for the Call for Projects along with the final draft of the policy before it is adopted by the MPO Board. That way folks will know when to expect a CFP each year.

- What is considered a substantial change?

We didn't define this in our TC subcommittee meetings. Let's use our TIP definition. Anything over \$1 million or 25% of the original project cost.

- The number of projects by cost relative to the jurisdiction cost sharing seems to skew project approval to the larger jurisdictions. In our way of thinking—these funds should be more flexible than funds obtained via the SPOT process and help balance the need to quality projects throughout the MPO region.

This draft policy values different things than the SPOT process such as safety, EJ, and climate mitigation over traffic flow.

- Can you clarify at what point a project is considered “closed.” Paperwork complete or formal NCDOT acceptance? What happens if jurisdiction runs into issue with claims—that may delay finishing a project. Searching for funding sources to pay for an overrun may likewise delay the final steps of a project.

When it is closed out in the STIP. We would make an exception for situations like the one you have described.

### **Funding Request Minimums and Maximum**

- Smaller jurisdictions typically need to account for all of the project costs from beginning to end before initiating the Municipal Agreement to begin a project. Design wouldn't get underway until construction costs have been identified. Having to wait to apply for construction costs mid-way into design and risk not getting them—will likely put gaps into projects—increasing costs.
- Moreover, since delays are common in the construction process, Finance Departments may be uncomfortable using funds that are subject to being withdrawn if the project runs into some sort of delay. *At our last subcommittee meeting, we decided to take out the withdrawal of fund stipulations. Funds will only be withdrawn if agency cannot secure the local match or has been egregious in not using funds.*
- The 45% contingency will increase the project such that it will be considered too expensive to pursue. *Open to discussing how to do this for MPO purposes so that it is not reflected in your budget.*

### **Reporting**

Concerns—this seems like a good bit of additional administrative work which will be harder for the smaller jurisdictions where staff may be limited to a single full time person or one and one half positions which are managing transportation projects as one task in their work load. *This will only be twice a year. Reports will be no more than one page or one PPT slide.*

### **Appendices**

- Some of the criteria in appendices seems hard to meet. For example, a greenway project that supports transit and has connections to three other facilities—difficult requirement. *Projects don't have to receive a perfect or near perfect score to receive funding. The highest scoring project (when we used a very similar rubric) scored 77 out of 105. It was the Chapel Hill/Carrboro NC 54 Pedestrian Safety/Transit Access Improvements.*
- ADA and EJ/Equity for smaller jurisdictions may be difficult to meet or may require all projects to be located within small areas of jurisdiction. *Other categories can benefit smaller jurisdictions such as not receiving funding in previous years (beginning in FY24) and local input points.*
- Shortfall should be linked to subject project not other projects. A former staff person could limit future project funding. A new person may not be able answer questions of the history of the jurisdiction and payment issues. *As an MPO, we need to keep better records of funding we are distributing. Hopefully we will be able to help with project history information in future years.*

## Chapel Hill Comments

### General

How much money are we talking about each year?

We had \$5.8 million in competitive funding in FY22.

### Local Discretionary and Staff

Unclear on the difference here. We use our local discretionary for staffing, which ends up in the UPWP, but according to this would end up in the RFF. Is this only the MPO UPWP? Will the TC have more oversight over MPO activities in the future? I'd like to see MPO support on LAPs.

Discussed in meeting. MPO staff subsequently decided that the policy update would not address the staffing issue.

The MPO would like to offer more support for locally administered projects, but would need additional resources to do so in terms of budget and staffing.

### Studies

It seems like studies would have a hard time competing with infrastructure projects given the goals in the MTP listed above.

The rubric was adjusted to include more points for studies. However, project implementation (PE, ROW, CON) is the priority for RFF.

### Small versus large projects

How are you defining small vs. large project? Is there a monetary value that differentiates them?

Discussed in meeting. Large project would be something like a BRT corridor, which would use up many years of LAP funding. In the first TC subcommittee, it was decided that LAP/RFF was more appropriate for smaller bicycle, pedestrian, and transit projects.

### Cost Estimates

This would be an excellent service to be provided by the MPO. Smaller jurisdictions don't have \$\$ to pay for cost estimates and limited staff ability to prepare them accurately.

We would like to provide this beginning in FY24, but need to find money in the budget for this.

### Contingencies and PE

This will likely be every project, right? Do any of the jurisdictions have the ability to do this?

The City of Durham can do PE through their Public Works Department, but applied for projects without PE in the FY22 Call for Projects.

### Scoring Rubric: Project Phase

Does this differ for new vs. existing project applications? If not it disadvantages smaller jurisdictions who cannot pay for early phases without the federal funding.

This has been adjusted in the second draft to add points for design, area planning, and feasibility studies.

### Scoring Rubric: Safety

This sounds like NCDOT reasoning. There shouldn't have to be crashes to demonstrate need. There are tons of projects that are needed for safety even though there haven't been crashes.

Agreed. However, high-crash locations are prioritized in most Vision Zero programs. After we take care of high-crash locations, we can then focus on systematic safety improvements.

### Project Phase and Applications

Are we expected to apply for each phase separately? We would need to be guaranteed funding for future phases. Federal funding can be rescinded if the project isn't completed, right?

You can apply for multiple phases at once, but a phase would need to begin during the Call for Project year or the following year to be eligible to apply for funds.

Federal funding can be rescinded if a project has not been completed in 10 years.

### New Project Applications

What is expected here? [6). Please describe all work that has been completed on this project to date and 7) Please provide all work that needs to be completed on the project and a schedule for completing that work.]

Up to a paragraph describing work on the project and the work to be completed. If no work has been completed on the project, describe whether the project is in a plan and/or why it is a priority.

### Shortfall Funding

As it is currently, we can almost always get shortfall funding for our projects. Will this change that? SPOT wouldn't really work for this, and the state doesn't have bike-ped funding - what are we expected to do if we can't get shortfall funding through this process?

The MPOs priority is to complete existing projects before funding new projects. Shortfall funding will be prioritized.



## City of Durham Comments

### **Staffing**

Concerns about Employee staff funding through the UPWP vs. through the new RFF pool – clarification on the impact of this towards the positions with the City; sounds like there'll be no impact, but we just want clarification

No current impact on staffing. More information is needed on how much federal funding is used to support activities for non-LPA staff.

This really should have been addressed by the Governance Study, but not sure whether this is a possibility at this stage.

### **Geographic Distribution of Projects**

Geographic equity – as we discussed in the previous round of call for project, we feel the MPO is too reliant on the geographic distribution of projects and while we do feel that is important to distribute projects amongst the LPAs, funding the *good* projects is upmost importance.

- The notion of good projects is subjective, especially given that as a regional organization, we must consider the context of each community.
- This policy and its rubrics attempt to quantify the MPO's values.
- We hope that quantification and its outcomes reflect the MPO's values, but there is no perfect system for project selection. Rubrics lend objectivity to a subjective process and are a decision making tool.
- Fair geographic distribution as part of this process is a means to achieve equitable regional mobility, not the end goal (not interested in geographic equity for the sake of geographic equity).

To the City of Durham, which has increased focus on equitable projects within the community, additional focus needs to be given to that as a way of correcting neglect in lack of projects and community0inbstrusive projects built in communities of concern.

The EJ Report (page A-6) says Durham County has 306,457 of 455,813 people in the MPO (67%)

- compared to other counties in the MPO, Durham has the highest percentage of block groups above EJ thresholds in all categories (Black, Minority, Hispanic, LEP, Zero-Car, Below Poverty) except Elderly population
- more areas considered Communities of Concern in Durham compared to other municipalities in the MPO; see table below

**Table A.1: County Summary Data**

County	Total Pop	Total HH	Med HH Income	Black	Minority	Hispanic/Latino	Below Poverty	Elderly	Zero Car Households	LEP
Chatham	69,791	31,555	\$ 63,531	8,073	13,601	8,626	8,241	16,306	1,283	2,105
Durham	306,457	133,429	\$ 58,190	113,511	149,091	41,189	46,805	37,056	9,936	15,650
Orange	142,938	57,502	\$ 68,211	16,557	36,403	12,014	17,633	18,364	2,644	3,508

**Table A.2: County Thresholds**

County	Black	Minority	Hispanic/Latino	Below Poverty	Elderly	Zero Car Households	LEP
Chatham	12%	19%	12%	12%	23%	4%	3%
Durham	37%	49%	13%	15%	12%	7%	5%
Orange	12%	25%	8%	12%	13%	5%	2%

- The City is interested in knowing if the information from the EJ report is also available broken down per city? We're using the County as a proxy, and would like to see the differences if it was City only
  - Would like to see the Durham County EJ figures disaggregated to show City of Durham only. The suspicion is that the vast majority of the EJ population in the County is in the City. From the data provided, about 75% of the region's minority population lives in Durham County.

The data source for the analysis is identified in the EJ report. Others have requested it and have performed more tailored analyses. The City is welcome to do the same, but we do not currently have the resources to do this on the City's behalf. We could allocate resources to do this work in the future, but not in time for the approval of this policy.

- We live with the legacy of racial discrimination in policymaking that shapes the inequity in transportation facilities and access. We talk about structural and institutional racism and inequity, and this is how it happens. Let's say, for example, that the City has 70% of the EJ population of the region. We need to over-invest in the EJ communities, as a region, to address historical discrimination. If the City is capped at 60%, we will be guaranteeing that we systematically under-invest in these communities. Clearly, more data analysis is needed to support this assertion, but it's important to note

EJ and equity are not the same. While the MPO has an adopted EJ framework, we do not have an adopted equity framework. The federal funding policy relies on an EJ analysis in the absence of an equity analysis so that the policy fits within the universe of the MPO's plans.

EJ is a legislative concept. Equity can apply to any demographic factor. While I (Anne) am supportive of a racial equity framework based on many years of education, training, and teaching, the MPO needs to clearly define equity and initiate planning around that definition of equity before it can be reflected in the MPO's activities and policies.

#### A note about the flawed EJ Methodology

- As has been noted during discussions about the adoption of the 2020 EJ report, the EJ methodology is flawed. Durham has substantially larger POC, low income, zero car, etc. populations than Orange and Chatham. By using a regional percentage as the threshold, we

are holding Durham to an artificially low threshold and Orange and Chatham to an artificially high threshold.

- While the methodology is sufficient to meet federal requirements, it is insensitive to variations within the region. The methodology also treats all demographic factors as equal (e.g. elderly is weighed the same as race or income).

Geographic equity is not about fairness to the member agencies of the MPO, it is about improving regional access and mobility. Using the example provided above, if 70% of the EJ population is in Durham, overinvesting in Durham means that we are improving mobility primarily within Durham. A regional approach expands access and mobility to EJ populations in Durham — and beyond— into the region.

Agreed that overinvesting in historically marginalized communities is important to right historical wrongs. As the largest agency in DCHC, Durham has resources available to do this, such as the new Green Infrastructure bond, more so than other jurisdictions. This is not to say that DCHC should subsidize work that supports equity outside of Durham, it is to say that we need to intensively invest locally as well as regionally so that historically disenfranchised communities have the privilege of access and mobility across municipal borders that many of us take for granted.

By including EJ considerations into the quantitative formula, MPO staff have attempted to include equity considerations in the funding formula (Anne's note about the difference between EJ and equity is noted). Furthermore, the City of Durham, and all our regional partners, are encouraged to fund projects in EJ areas. The City of Durham is free to direct all of its funding through the MPO to projects in EJ areas.

### **Regionally Significant Project**

- Page 2 – Clarify what a “regionally significant project” is in terms of project length/extent – does it have to be in two separate municipalities/need to connect regional areas, despite its length
  - does this also include projects that aren't directly linked to another municipality but connects to a different regional project
    - The 2045 MTP has a broad definition of regional (beyond FHWA functional classifications).
    - Length does not matter and the project doesn't need to directly connect two municipalities.
    - If the project is on a route that is commonly used to access another part of the region, it is a regional project.
    - Local projects that connect to regional projects are also regional, even if they are not on a regional route.
    - Since we don't fund highway projects with the LAP program, if the project is on a route included on the MTP's regional bike-ped list or if it is a portion of the route, it would be considered regional. E.g. Erwin Road, Homestead Road, 751, Cornwallis, etc.
    - Note that there are no points in the rubric for projects of regional interest, though there could be. The local versus regional discussion came up in

relation to planning studies and whether they should be funded in the UPWP or through RFF.

- we also feel the “rail transit facilities” sentence is unneeded. This was a direct quote from the 2045 MTP.

### **Minimum Match Commitment**

Page 3 – Minimum match committed– is there/could there be emphasis/weighting on a project with a larger minimum match committed?

- Additionally, for clarity there’s a section later that talks about a two year period for an PA to secure the local match for the project – does this not conflict with minimum match committed as required by the application submission

We do not want to incentivize overmatching. The 80/20 split makes the most efficient use of federal funds. Overmatching also benefits larger agencies that already have advantages in scoring because of density.

### **Shortfalls**

Do new cost estimating procedures help out with making shortfalls less frequent in the future

- Understand the application will be separate from new project, just curious as to the reasoning for separating them out, other than wanting to specifically prioritize these and/or bypass scoring

Bypasses a complicated scoring procedure for projects that are already considered deserving of funding. Also, makes it easier to prioritize shortfall funding over new projects.

What happens with projects affected by external agency shortfalls (i.e NCDOT)

Should not make a difference. All shortfalls will be prioritized.

Clarify what you mean by “cost estimator has to be a year old”

The draft policy says “cost estimates should be no more than a year old.” A cost-estimation that is several years old is unlikely to be inaccurate.

### **Transit Agencies and Project Caps**

Page 4 – is GoDurham considered a separate agency than City of Durham? – isn’t there a portion of local match attributed to GoDurham in the UPWP, and does that translate to a specific project cap for GoDurham, or is that reflected in the number for the City of Durham –

- According to the UPWP, GoDurham has \$17,850 local match for Section 5303 Funding, none listed elsewhere.

Open to transit agencies having their own new project cap since they have dedicated staff to work on transit projects. Any funding received by transit agencies would count towards their parent agencies funding maximum.

- How were the tiers for project caps determined? Should the tiers for active projects cap be reorganized? – the way its set up now, only Durham qualifies for the highest (\$200,000+ local match), only Chapel Hill qualifies (and barely) for the middle (\$50,001-\$200,000 local match), every other LPA is in the low tier.

Please note that it is only new projects being capped. This cap was initially based on population. The TC subcommittee suggested another measure to account for regional organizations (an alternative that was proposed was to give regional organizations such as TJCOG and GT credit for the entire region). The cost share aligned fairly closely with population (likely because for the most part, the cost share is based on population). The cost share does give a sense of resources of each agency and the new project cap is about trying to avoid overextending staff on new projects while other projects are incomplete.

We'd like to keep the tiers but are open to increasing the number of active projects. COD currently has 14 LAP projects, CH has 4, Carrboro has 8.

### **Project Minimums and Maximums**

The 40%/60% requirements might limit best project selection (see geographic equity concern above)

We initially proposed 75%. The TC subcommittee thought that was too high and proposed 50%. 60% was a compromise. Looking at the past two funding cycles, City of Durham got 56% of competitive funding and 58% per the current local discretionary formula funding, proportionate to its population.

60% seems fair since regional projects like the TDM program and projects from GoTriangle will also be competing for funding with municipalities and counties.

Regional projects also benefit municipalities and counties (e.g. a GT bus stop may be in any jurisdiction, Durham received funding in the TDM program, etc.).

### **Local Match Commitment**

- Page 5 – could we reduce the limit on obtaining local match in RFF from two years to one year? Ideally we'd like the LPA to secure that as they're applying for the project.

Since you have two years to start your project (year of CFP and year after), two years to secure the match from the time funding is awarded seems fair. Also, it is hard to provide proof of a local match. While many granting agencies ask for a letter that says you have the match and most people can point to their budget for the match, most councils will not approve a match until all other funding is secured. For example, Carrboro and Chapel Hill will not set aside the local match until the MPO provides proof of federal funding, and depending on the cycle that could mean the following fiscal year.

## **Contingencies**

- Page 6 – we like the tiered contingency but feel the rates are too high – our local contracts are usually 10% or 15% contingency, should the tiers come down closer to that?

We have seen shortfalls that have exceeded these contingencies. These contingencies are also consistent with what CAMPO and CRTPO.

## **Evaluation**

- Page 7 Evaluation – would major changes to legislation (an example, STI) in between when the MTP gets adopted necessitate changes to the RFF policy

We can add this to the language in the policy. The MPO Board can also approve changes to the policy at any time.

- Additionally, could this policy framework be looked at again after this round of call for project, as a one-time “lessons” learned adjustment?

We can add this to our recommendation to the Board. Please keep in mind that these types of evaluations require staff resources and the LAP program is currently less than 25% one staff person’s time. Ultimately, after this first update, we’ll need some longitudinal data to evaluate the policy. It also makes things difficult for local and MPO staff if we are changing policies and procedures every year. Let’s do a one year review and then an update after the 2055 MTP is adopted.

## **Timeline for Adopting Updated Policy**

- General – Clarify what the timeline to get this approved? Timeline of call for projects matches up with this item being approved by the Board in November. You answered in the TC meeting would definitely like the Call for Projects timeline clear to us by the time the Board sees this item in October
  - October Board – Board asked to release the policy for a 21-day public comment period
    - MPO staff updates policy based on comments, legislation, or findings of the governance study
  - October TC – TC asked to review comments, updates, and recommend Board adoption of policy
  - October Pre-call for projects – MPO staff will let TC know funding amounts (STGBDA, CMAQ, and anything else we can find) and approximate timeline for FY23 call for projects to minimize the effects of an overly compressed CFP
  - November Board – Board asked to adopt the policy, CFP goes out within a couple days of Board meeting (possible longer if Board asks for substantial changes to the policy)
    - We’d want to give agencies at least a month to prepare applications
    - We also need a least a month to score projects and release scores for public comment

- We then need enough time for a TC recommendation and Board approval of a slate of projects. Per the new NCDOT CMAQ deadline, the Board must approve in February, and the TC provide a recommendation in January.



DCHC MPO Regional Flexible Funding Policy Draft  
Responses to Comments from Federal Funding TC Subcommittee Meeting #1

Draft Policy	Justifications/Notes	Questions/Comments from TC Subcommittee and LPA Responses
<p><b>Statement of Values</b></p> <p>This updated policy aligns with the goals that the MPO Board approved for the <a href="#">2050 Metropolitan Transportation Plan</a>.</p> <p>These goals include:</p> <ul style="list-style-type: none"><li>I. Protect the Human and Natural Environment and Minimize Climate Change</li><li>II. Ensure Equity and Participation</li><li>III. Connect People and Places</li><li>IV. Ensure that All People Have Access to Multimodal and Affordable Transportation Choices</li><li>V. Promote Safety, Health, and Well-Being</li><li>VI. Improve Infrastructure Condition and Resilience</li><li>VII. Manage Congestion and System Reliability</li><li>VIII. Stimulate Inclusive Economic Vitality</li></ul> <p>As part of the application procedure, each applicant is required to explain how their project submittal supports the goals of the 2050 MTP.</p>	<p>The 2050 MTP goals are intended to drive the MPO's policies and decision making for the lifespan of the 2050 MTP.</p>	
<p><b>Regional Flexible Funding</b></p> <p>Federal funding that flows through the MPO, including Surface Transportation Block Grant Direct Attributable (STBGDA), Transportation Alternatives, Congestion Mitigation Air Quality Improvement funding (CMAQ), STBG-Any Area funding received through INFRA swaps, and any federal funding identified during NCDOT's August closeout, will be combined to form a single funding pool known as <b>Regional Flexible Funding (RFF)</b>.</p> <p>For now, all funding used for staff positions will be reflected in the Unified Planning Work Program (UPWP), and will not be taken out of the Regional Flexible Funding pool.</p> <p>The RFF pool does not include STBGDA funding used to support LPA-funded activities in the UPWP.</p> <p>Once all projects are submitted, MPO staff will determine which projects will receive which type of federal funding based on the project type and funding available.</p> <p>Applicants may also indicate preferred funding types for their projects.</p>	<p>*See below for an explanation.</p>	<p><b>Q/C 1:</b> Population suballocation intended to make sure smaller jurisdictions receive funding. Benefits always tend to be greater in larger jurisdiction like Durham.</p> <p><b>LPA Response:</b> Safeguards for smaller jurisdictions will be addressed by the scoring rubric and minimum/maximum funding request caps.</p> <p><b>Q/C 2: Staffing<sup>1</sup></b></p> <ul style="list-style-type: none"><li>- All entities should be given the opportunity to say whether they want staff, this would put everyone on the same page as opposed to those who have chosen to do it in prior years</li><li>- There is a cost-saving benefit for MPO by having local positions do MPO work/paperwork</li></ul> <p><b>LPA Response</b></p> <ul style="list-style-type: none"><li>- MPO-funded staff should be working on MPO/regional transportation work and not local planning (potentially violates federal regulations)</li><li>- The staffing issue may be outside of the purview of the federal funding policy update</li><li>- MPO staff need to do the following to address the staffing issue:<ul style="list-style-type: none"><li>o Determine how much funding is allocated to staff positions outside of the LPA</li><li>o Determine the degree to which local MPO-funded staff are working on regional planning</li><li>o Meet with four agencies that use federal funding for staff (Durham County, City of Durham, Town of Chapel Hill, and Town and Carrboro) to determine whether they have alternate means of funding staff positions and determine the timeline for switching over to local funding for these positions</li><li>o Communicate to MPO Board a recommendation that RFF not be used for staff positions in the future; this funding would come back to local jurisdictions in the form of infrastructure funding and project management support</li></ul></li></ul>

<sup>1</sup> Highlighted text in the questions/comments column indicates that the topic requires further discussion.



		<ul style="list-style-type: none"><li>▪ Five-year transition period</li><li>○ This will be communicated to the MPO Board during the Federal Funding Policy approval process, but these steps will occur separately from the update of the policy</li></ul> <p><b>Q/C 3:</b> Can an entity apply for unlimited amount of funding from the UPWP?</p> <p><b>LPA Response</b></p> <ul style="list-style-type: none"><li>- No, regional planning studies should be requested through the UPWP process. Agencies may apply for funding for local area and feasibility studies through the RFF program.</li></ul> <p><b>Q/C 4:</b> All phases of a project need to follow the federal process if you use federal funding for even one part of a project. Federal funds should be used on more expensive projects and on all stages of those projects. Recommend funding for design. Feasibility studies are different. Fund design, ROW, and CON with federal funding. Justifies time and effort involved. Large projects, even in one jurisdiction, should be considered of MPO [regional] importance.</p> <p><b>LPA Response</b></p> <ul style="list-style-type: none"><li>- Agreed, design, ROW, and CON will be prioritized for RFF</li></ul> <p><b>Q/C 5:</b> How are we defining regional and local?</p> <p><b>LPA Response:</b> We will use the 2045 MTP's definition of "<a href="#">regionally significant</a>": "Regionally Significant projects provide access to and from the region, or to major destinations in the region. The FHWA functional classifications serve a different purpose than the local functional classification used by the MPOs, so the two classification systems are significantly different. Generally, the regionally significant designation includes interstate highways, U.S. highways, freeways, and North Carolina signed roads that are the primary road in a corridor. Rail transit facilities, which are described in a separate section, are considered regionally significant."</p> <p>A list of regionally significant bicycle and pedestrian routes is included in the 2045 MTP.</p>
<p><b>Eligible Applicants, Projects, and Phases</b></p> <p><u>Eligible Applicants</u> Any MPO member agency, including transit agencies, cities, towns, counties, and regional planning organizations such as the Triangle J Council of Governments, may apply for funding through the Regional Flexible Funding Program.</p> <p><u>Project and Phase Eligibility</u> According to State Transportation Investments (STI) Law, no less than 90 percent of state transportation funding is used to support highway projects. In keeping with the MPO's goals, funding priority will be given to projects in the adopted DCHC Metropolitan Transportation Plan in the following categories and <u>not for roadway projects</u>:</p> <ul style="list-style-type: none"><li>· Public transit;</li><li>· Bicycle and pedestrian facilities;</li><li>· Transportation System Management, Transportation Demand Management, Intelligent Transportation Systems;</li></ul>	<p>Meets federal funding requirements; project eligibility based on previous policy.</p>	<p><b>Q/C 6:</b> Suggest requiring larger local matches after a certain number of active projects. (i.e. everyone gets three at 20%, the next three require 30% and so on). Or maybe some kind of bonus - get an extra submittal if a certain number of projects exceed minimum local match.</p> <p><b>LPA Response:</b> We do not want to incentivize overmatching. We want to make sure we are efficiently leveraging federal funds. A 20% local match will be the default unless otherwise noted by a particular federal funding program.</p> <p><b>Q/C 7:</b> Why are transit vehicles excluded from receiving funds?</p> <p><b>LPA Responses:</b> This exclusion has been removed. RFF can be used to purchase transit vehicles.</p>

<ul style="list-style-type: none"> <li>• Scenic and environmental enhancements;</li> <li>• Planning studies that support the implementation or development of the adopted and future versions of DCHC's Metropolitan Transportation Plan and air quality programs.</li> </ul> <p>Projects must meet the following five requirements to apply for RFF:</p> <p>1) <u>Federal-Aid Eligible Projects</u></p> <p>There are eligibility requirements associated with all types of state and federal funding sources. Regional Flexible Funding may consist of funds from Surface Transportation Block Grant Program Direct Attributable (STBGP-DA); Congestion Mitigation for Air Quality (CMAQ); Transportation Alternatives Program (TAP); and other funds passed through the MPO for programming. Bicycle and pedestrian projects that serve a transportation purpose (as opposed to a recreational purpose) are eligible. A bicycle or pedestrian project must transport members of the public from one place to another to demonstrate its transportation purpose. Transit projects that encourage the development, improvement, and use of public mass transportation systems are eligible.</p> <p>2) <u>Locally Administered</u></p> <p>By applying for a project through RFF, the applicant is committing to sponsoring that project. The sponsor will be responsible for all federal and state reporting requirements associated with the funding source applied to their project. DCHC MPO will also require reporting from successful applicants to keep the MPO Board up-to-date on the progress of all funded projects until the project is complete. An interlocal agreement between NCDOT and the project sponsor will outline a reimbursement schedule as local sponsors will be required to front all project costs, invoice NCDOT, and get reimbursed for the federal percentage dedicated to the project.</p> <p>Transit agencies typically flex funds to the Federal Transit Administration which requires less coordination with NCDOT.<sup>2</sup></p> <p>3) <u>Metropolitan Transportation Plan or local plan compliant</u></p> <p>The project must be identified in the currently adopted MTP or another local plan that has been adopted by a governing body or board.</p> <p>4) <u>Eligible Project Phase</u></p> <ul style="list-style-type: none"> <li>• NEPA/Design- for this phase, the project must include 100% design and full NEPA documentation.</li> </ul>		
--	--	--

<sup>2</sup> Highlighted text in the draft policy column indicates that the text has been modified since this document was reviewed by the TC Federal Funding Policy Subcommittee.

<ul style="list-style-type: none"><li>• Land or Right-of-Way Acquisition</li><li>• Construction (including environmental mitigation and utility relocation)</li><li>• Transit Capital</li><li>• Travel Demand Management (TDM) Projects, coordinated through the Triangle Transportation Choices TDM Program administered by TJCOG.</li></ul> <p>5) <u>Minimum Match Committed</u></p> <p>Applicants must provide a local match as required by the federal funding source assigned to their project. Typically, the requested local match is 20 percent. Applicants will be asked to identify the source of their local matching funds as part of the application procedure. The local match should be clearly identified in the project budget.</p>										
<p><b>Number of New Project Submittals</b></p> <p>Although there will be one call for projects each year, there will be separate procedures for submitting new and existing project funding requests.</p> <p>If you are submitting a request for funding for an existing project, you must confirm that there are no substantial changes in scope to your project that led to the increase in the project cost. If there are substantial changes in the scope of your project, the project must be submitted and scored as a new project.</p> <p>Due to delays in implementation of previously programmed projects, DCHC will cap new project submittals based on each agencies number of active projects.</p> <p>Jurisdictions and agencies with a number of active projects <u>below</u> the cap may submit their desired number of new projects.</p> <p>Jurisdictions and agencies with a number of active projects <u>above</u> the cap may only apply for funding for existing projects.</p> <p>The active project cap is based on population:</p> <table><tr><th>Population</th><th>Active Project Cap</th></tr><tr><td>Less than 50,000</td><td>3</td></tr><tr><td>50,001 – 200,000</td><td>6</td></tr><tr><td>Above 200,000</td><td>9</td></tr></table> <p>Projects must be closed out in the STIP to be considered complete.</p>	Population	Active Project Cap	Less than 50,000	3	50,001 – 200,000	6	Above 200,000	9	<p>Some MPOs limit the number of new project submittals in order to avoid reviewing too many applications. DCHC MPO has a relatively small number of jurisdictions and agencies. MPO staff would like to introduce a cap not to limit the overall number of applicants, but to incentivize completion of projects and to avoid overextending staff and funding resources to start new projects while others are incomplete.</p>	<p><b>Q/C 8:</b> How should this cap apply to TJCOG and GoTriangle?</p> <ul style="list-style-type: none"><li>- Could consider using local share percentage contributed by all members. TJCOG does not contribute local share, so allow minimal cap for them and certainly no more than any jurisdiction that does contribute local share.</li><li>- If use population, the regional agencies should be credited with serving entire region.</li><li>- Whichever way the group goes, whether for population, of course you’d have to figure out what to do for regional orgs, universities. Look at local share contribution rather than the population itself. Be careful about a rubric. Look at accumulation of funding, prior year, what is still active, cap that.</li></ul> <p><b>LPA Response:</b></p> <ul style="list-style-type: none"><li>- This cap does not apply to TJCOG. TJCOG is only expected to apply for funding for the regional Transportation Demand Management (TDM) program. As this is an ongoing program and not a project, it has no end date.</li><li>- It was suggested that we use the local match cost sharing to determine the number of new project submittals for GoTriangle: Durham City \$233,781 Durham County \$40,225 Chapel Hill \$58,599 Carrboro \$20,050 Hillsborough \$6,232 Orange County \$35,019 Chatham County \$14,498 GoTriangle \$29,871<ul style="list-style-type: none"><li>o GoTriangle provides 7.5% of the total MPO match required for local share of federal funds minus ITRE and data collection expenses and is based on average annual percentage of funds received including 5307 and STBG-DA</li></ul></li><li>- We are open to using the cost share to create thresholds instead of population.</li></ul> <p><b>Q/C 9:</b> This should include number of projects but also amount of funding allocated to the jurisdiction that is still not expended. Thus a member with one very large project that is not progressing is held to similar restrictions as a member with multiple small projects of same value.</p> <ul style="list-style-type: none"><li>- Consider number of projects as well as total dollar amount so a cap should still apply with total funding on existing projects. One project should not be allowed to tie up all money on a routine basis. It may occur for a special situation but it should not be norm.</li></ul>
Population	Active Project Cap									
Less than 50,000	3									
50,001 – 200,000	6									
Above 200,000	9									

		<p><b>LPA Response:</b> For the purposes of new project submittals, the number of projects seems sufficient as it is about matching an agency's resources to the number of active projects to ensure agencies are not overextended.</p> <ul style="list-style-type: none"><li>- We will use language from the current policy about obligation deadlines to ensure agencies are not sitting on funds that are not being used (discussed related to Q/C 14)</li></ul> <p><b>Q/C 10:</b> There should be demonstrated progress on projects. This could be production of documents or documented outreach, approvals, etc. A review of all projects funded in prior years should be completed several months before new funding is distributed.</p> <ul style="list-style-type: none"><li>- Do an evaluation of active projects before CFP. Where all projects are in the process. Once a year, find out where everything sits, what documented actions. If no action on projects, some decision made that you can't come in for new funds.</li></ul> <p><b>LPA Response:</b> This will be addressed by reporting requirements and enforcement of requirements related to obligation deadlines from our current policy (discussed related to Q/C 14).</p> <p><b>Q/C 11:</b> Beneficial to separate existing projects from cost overruns.</p> <ul style="list-style-type: none"><li>- Historically, DCHC has not spent this money as fast as it has come in. We will want to fund cost overruns.</li></ul> <p><b>LPA Response:</b> The process proposed in this draft allows agencies to request shortfall funding through a somewhat less burdensome procedure. If agencies are requesting shortfall funding, it will count against the 60% of RFF they are allowed to request in a given year and they will need to adjust their request for funding for news projects accordingly.</p>
<p><b>Funding Request Minimums and Maximum</b></p> <p><u>Minimum</u> Due to the high administrative burden associated with RFF projects, the total project cost is required to be at least \$100,000.</p> <p>Agencies may bundle smaller projects to meet this threshold (e.g., Durham's Bicycle Facilities projects).</p> <p>Exceptions to this requirement must be approved by the MPO Manager prior to project submittal.</p> <p><u>Maximum</u> As a regional planning organization, DCHC MPO would like to ensure that all of its jurisdictions and agencies have a chance to receive funding through the RFF program. Further, given the limited availability of RFF, MPO staff would like jurisdictions to submit their strongest projects and projects that meet pressing transportation needs. For these reasons, the following funding caps exist:</p> <p>Individual projects – 40% of federal funding available All projects submitted by an agency – 60% of federal funding available</p> <p>Exceptions to this requirement must be approved by the MPO Manager prior to project submittal.</p>	<p>Fair geographic distribution of projects. MPO staff will be using a scoring rubric to score all project submittals. The highest scoring projects will receive their funding requests. Funding maximums ensure that no one project or applicant receives a disproportionate share of available funding.</p>	<p><b>Q/C 12:</b> Is the project minimum of \$100,000 too low? <b>LPA Response:</b> We will keep the \$100,000 so that smaller jurisdictions are not excluded from applying for funding.</p> <p><b>Q/C 13:</b> Seventy-five percent seems too high for any single agency. 50% seems more appropriate. And, perhaps it should even be a rolling percentage of prior 4 plus current years. Exceptions should be accommodated such as for the Durham Chapel-Hill project. But vote should be near unanimous/unanimous for an exception.</p> <ul style="list-style-type: none"><li>- The lower cap on max funding to a single entity will allow for support of smaller projects.</li></ul> <p><b>LPA Response:</b> The cap for all projects submitted by an agency has been lowered to 60%. You will not receive 60% of funding just because you apply for 60% of funding.</p> <ul style="list-style-type: none"><li>- Agreed that we should look at funding distributed over a four-year period. Propose adjusting the rubric for FY24 to give additional points to agencies that have not received funding in previous four years.</li><li>- TC subcommittee should discuss how this should be weighted in future years.</li></ul> <p><b>Q/C 14:</b> Will the RFF program fund projects over several years?</p> <ul style="list-style-type: none"><li>- Would funding be guaranteed if that is the case?</li><li>- One or two large projects would eat up funding over five years. Reducing funding available for future projects in other jurisdictions.</li><li>- Phasing construction, smaller/multiple segments, that would be inefficient. Some value in larger segments/larger projects.</li></ul> <p><b>LPA Response:</b></p> <ul style="list-style-type: none"><li>- The RFF program should be flexible and this means funding more expensive projects over several years when needed.</li><li>- Agencies can apply for up to 3 years of funding. This will count against the agency's 60% overall funding request for each of the three years that the project is funded.</li></ul>



		<ul style="list-style-type: none"><li>- Agencies will receive funding when it is needed to avoid having to inefficiently phase projects. NCDOT banks funding for the MPO, so providing the funding up front should not be a problem.</li><li>- If you have not demonstrated progress on your project, this funding will be removed from your project and be returned to the RFF pot.</li><li>- We will measure progress based on language in the existing policy (page 8-9):</li></ul> <p>Each project sponsor will be responsible for identifying the appropriate estimated obligation date for each phase of their project receiving MPO funds and update as necessary via the project tracking database. A one-year grace period beyond the estimated obligation date is established for each project. The estimated obligation date identified by each project sponsor, once funds are programmed in the Transportation Improvement Program (TIP), is used to monitor the progress of the funds and the projects.</p> <p>Each phase of a project with STP-DA, TAP, and/or CMAQ funds is allowed a one-year grace period beyond the allocation year. If project funds remain unobligated by the end of this grace period, funds are at risk of being removed from the project. The MPO staff will provide regular reports to both the TC and the MPO Board of those projects with STP-DA, TAP, and/or CMAQ funds that are approaching this milestone. These reports will include information on the age of the funds, the phases programmed, and the length of time passed beyond the estimated obligation date (i.e., months “past due”).</p> <p>LPA staff will notify the project sponsor when any STP-DA, TAP, or CMAQ funds are six months past the estimated obligation date (before the one-year grace period expires). The project sponsor will be required to prepare a narrative outlining the reasons for the delay in preparation for presentation to the TC. The LPA staff, along with the TC’s input will determine whether or not an obligation date extension is warranted.</p> <p>1.The length of any obligation date extension will be determined on a case-by-case basis and may be allowed for any date within the 7-year time span of the current TIP. The TC will then make a recommendation to the MPO Board.</p> <p>2.If the LPA staff and subsequent TC determination is that an obligation date extension is not warranted, the recommendation to the Committee will be to remove the funds in question from the project. Project sponsors will be provided the opportunity to present their case to the Committee if they choose to appeal the commendation. The LPA Staff will be regularly notified well in advance of all delayed projects with “at risk” funds via the reports mentioned above, and will be taking action on all subsequent activities.</p>
<p><u>Application Procedure</u> MPO staff will provide a schedule for the Call for Projects at least one month before applications are due.</p> <p>Agencies should only apply for funding for projects that have a phase that begins in or within one year of the Call for Projects cycle. For example, you should only apply for funding in FY 23 if the project or project phase that you are applying for begins in FY 23 or 24.</p> <p>Applicants will receive links to two types of applications: 1) new projects and 2) existing projects. Applicants will fill out the appropriate application by project type and send an email to MPO staff once all their applications are complete with the following information:</p> <ol style="list-style-type: none"><li>1) A list of all submitted projects</li><li>2) Shapefiles for each project submitted</li><li>3) A designated point of contact for the submissions</li></ol>		<p><b>Q/C 15: Cost Estimates</b></p> <ul style="list-style-type: none"><li>- Are smaller agencies able to have their cost estimates prepared by a PE or RLA?</li><li>- Is there a recommendation for the best/most accurate (cost estimation tool) over time? Is there one that the state relies on most?</li><li>- Better sense of tools for cost estimates, other than NCDOT Bike/ped estimation tool?</li><li>- Feasibility/planning studies? Construction cost estimates very difficult before you have done a planning or feasibility study using a cost estimator.</li><li>- MPO sticking to one cost estimator, particularly if we are doing planning and feasibility separately</li><li>- Like the idea of MPO developing cost estimates for new projects, gets rid of idea that people may lowball their costs</li><li>- Once the jurisdiction has hired a designer, MPO can say, we want a 25% cost, 50% cost, a 75%cost so you keep getting regular updates as the project proceeds and it doesn’t come a couple years later in one big dollar request a designer will provide better cost</li><li>- Do we have (LPA) staff time to do tracking?</li><li>- Timeline of application period if we are preparing cost estimates</li><li>- SPOT – not poor cost estimates, but costs have risen</li></ul>

<p><b>Pre-submittal Meeting</b> At least two weeks before applications are due, MPO staff will hold a presubmittal meeting for local agencies and jurisdictions. Each agency submitting an application should have a representative present at the meeting. If that is not possible, the agency should let MPO staff know and set up a one-on-one meeting to discuss their questions. Responses to all questions raised at the presubmittal meeting will be posted on the MPO’s website.</p> <p><b>Cost Estimates</b></p> <ul style="list-style-type: none"><li>- Cost estimates should be prepared by a professional engineer (PE) or registered landscape architect (RLA)</li><li>- Applicants should share the method they used to prepare their cost estimate. For instance, did they use a cost estimator tool? Which one?</li><li>- Cost estimates should be no more than a year old</li></ul> <p><b>Contingencies</b> To reduce the need for shortfall funding and to account for the difficulty of developing accurate cost estimates, all RFF project submittals must include a contingency of at least 25%. Contingencies will be based on project completion.</p> <p>Applicants who have not completed the Preliminary Engineering phase for their project should apply a 45% contingency to all phases included in their RFF cost estimate.</p> <p>Applicants who have completed Preliminary Engineering and are pursuing Right of Way funding and beyond should apply a 30% contingency.</p> <p>Applicants who have completed Preliminary Engineering and Right of Way should apply a 25% minimum contingency when applying for construction funding.</p> <table><tr><th colspan="3">Project Phase Completed</th><th>Contingency</th></tr><tr><td>PE</td><td>ROW</td><td>CON</td><td>45%</td></tr><tr><td>PE x</td><td>ROW</td><td>CON</td><td>30%</td></tr><tr><td>PE x</td><td>ROW x</td><td>CON</td><td>25%</td></tr></table> <p><u>The contingency should be clearly identified in your project budget.</u></p>	Project Phase Completed			Contingency	PE	ROW	CON	45%	PE x	ROW	CON	30%	PE x	ROW x	CON	25%		<p><b>LPA Response:</b></p> <ul style="list-style-type: none"><li>- The MPO does not currently have a recommended cost estimation tool.</li><li>- We would like to use a consultant to provide cost estimates for new projects beginning with the FY 24 Call for Projects.</li><li>- In FY23, agencies may use the best cost-estimation tools they have available and indicate how they have determined their cost estimates in their application.</li><li>-</li></ul> <p><b>Q/C 16:</b> I understand some funds are not released on a consistent schedule but it would be helpful to have a general calendar of events similar to how the UPWP is developed.</p> <p><b>LPA Response:</b> We'll provide a schedule once we are a little further along in the process, likely before the Board votes on the updated policy.</p>
Project Phase Completed			Contingency															
PE	ROW	CON	45%															
PE x	ROW	CON	30%															
PE x	ROW x	CON	25%															
<p><b>Project Scoring and Selection</b> MPO staff will score all projects using the scoring rubric provided in Appendix A.</p> <p>MPO modeling staff will provide all quantitative data required to complete the rubric including crash, emissions, equity, and</p>	<p>Board presentations for selected projects will help the MPO Board and public to know who is responsible for which projects and increase</p>	<p><b>Q/C 17:</b> Could this process include recommendations about projects based on levels of activity?</p> <p><b>LPA Response:</b> The rubric will be updated for the FY24 Call for Projects to take into account reporting compliance. Projects that don’t meet their obligation deadlines or grace period deadlines may have funding withdrawn (enforcement of language in current policy).</p>																

<p>congestion data. This ensures consistency in data collection across jurisdictions and agencies.</p> <p><b>Board Presentation of Selected Projects</b> MPO staff will prepare a list of projects that are recommended for funding and present this list to the MPO Board for approval. Each agency will select a representative to present projects that have received a funding recommendation to the MPO Board. MPO staff will provide a template for presenting these projects to the MPO Board.</p> <p>Presentations will be no more than 5 minutes per agency or jurisdiction. Time per agency will depend on the number of projects that receive a funding recommendation.</p>	<p>accountability. These presentations will also give local staff – junior staff in particular – exposure to and experience presenting before elected officials.</p>	
<p><b>Project Reporting</b> Recipients of Regional Flexible Funding will be required to provide a brief report to the MPO Board <u>twice</u> a year.</p> <p>MPO staff will provide a reporting template to funding recipients. The MPO Board will receive the compiled progress reports as an attachment to the agenda and will have an opportunity to ask questions about projects to local staff.</p> <p>To encourage compliance with this reporting requirement, past reporting will be considered on the scoring rubric for future funding cycles.</p>	<p>Increases accountability for project progress; provides an opportunity for jurisdictions and agencies to share challenges and project successes with the MPO Board and the public.</p>	<p><b>Q/C 18:</b> What if we made one of these reports a presentation and one just an information submittal to reduce staff burden? We could build a submittal system similar to City of Durham CIP. They have to report quarterly, as Bill said, and I haven't heard of much complaining about that schedule, so I think twice a year could work. CIP projects are required to provide on a quarterly basis:</p> <ul style="list-style-type: none"><li>○ Stoplight</li><li>○ Project completion percentage</li><li>○ Project phase</li><li>○ Major Activities this period</li><li>○ Expected Date of Current Phase Completion</li></ul> <p>- Progress is slow. This could be once a year when project status of all previously funded projects is reviewed. Include annual report in calendar of events.</p> <p><b>LPA Response:</b> We will try twice a year for the FY23 and FY24 Call for Projects. We will provide a template that requires minimal effort from local staff. If reports are insubstantial, we will adjust the reporting schedule as needed.</p> <p>- Reporting dates will be included in the calendar of events.</p>
<p><b>Public Involvement</b> This update of the federal funding policy process aims to increase transparency for DCHC MPO's funding processes. As such, once projects are scored, they will be released for a 21-day public comment period before the MPO Board votes to approve a funding recommendations. In order to avoid excessive delays to the process, MPO staff will release the scores for public comment without a recommendation from the TC and MPO Board. A public hearing will be held at an MPO Board meeting to allow members of the public to share their thoughts about the proposed projects with the MPO Board.</p> <p>Projects that receive more than \$1 million in funding will not be released for a second public comment period through the Transportation Improvement Program (TIP) amendment procedure. The 2020 Public Involvement Policy will be amended to reflect these changes.</p>	<p>Increases Transparency of Call for Projects. The 2020 Public Involvement Policy does not address DCHC MPO's Call for Projects. Projects are only released for public review and comments during the Transportation Improvement Program (TIP) amendment procedure if a project receives more than \$1 million in funding.</p>	
<b>TIP Procedure</b>		

<p>Applicants cannot access federal funding until their projects are reflected in the State Transportation Improvement Program (STIP) and the MPO’s Transportation Improvement Program (TIP).</p> <p>MPO staff will present the MPO Board with a TIP amendment to reflect newly funded project at the same Board meeting where funding for new projects is approved.</p> <p>New projects cannot be added to the STIP without a STIP number. Once funding for a new project is approved by the MPO Board, MPO staff will work with local agencies and the NCDOT STIP Unit, or the Integrated Mobility Division in the case of transit projects, to assign STIP numbers to new projects. This process typically takes about <u>three weeks</u>.</p> <p>Projects that receive less than \$2 million can be added to the STIP as an administrative modification, which does not require approval from the Board of Transportation. Adding such projects to the STIP usually takes about one month.</p> <p>Projects that receive more \$2 million in funding require a STIP amendment, which requires Board of Transportation approval. Adding such projects to the STIP may take up to two months.</p>		
<p><b>Evaluation and Revision of Policy</b></p> <p>This policy should be updated every time a new MTP is adopted to ensure that the policy reflects the MPO’s current policy priorities. To update this policy, MPO staff will:</p> <ol style="list-style-type: none"><li>1) Collect data on funded projects and their progress each year</li><li>2) Collect qualitative data through interviews and surveys with past RFF applicants and recipients to identify issues with the implementation of the program</li><li>3) Review updated federal funding policies from MPOs in and outside of North Carolina</li></ol> <p>Policy amendments may occur as needed to resolve issues or problems with implementation of the RFF program. Amendments to this policy must be approved by the MPO Board.</p>		

- \*Staff is making this recommendation for the following reasons:
- DCHC MPO is the only MPO in the state that suballocates STBGDA funding based on population, and this practice may be in violation of federal regulations. This practice is a disadvantage to smaller jurisdictions who must bank funding for many years to fund projects given that the cost of many transportation projects are relatively similar across jurisdictions, regardless of population. This means that funding that could be used to deliver projects is not being put to good use as it is sitting in the “bank” for future use.
  - Creating a single funding pool means that funding will be available to all jurisdictions as it is needed. Larger jurisdictions will have access to more funding in a given year as no funding will be banked. Smaller jurisdictions will be able to apply for funding when they have a project in mind instead of waiting to bank enough funds.
  - Many MPOs combine all federal funding into one pool, including CAMPO. A publication from Transportation for America, “The Innovative MPO,” recommended combining federal funding pools in order to use federal funding more efficiently. For instance, by treating funds as separate pool (e.g. CMAQ), staff is put in a position of trying to select projects that most efficiently meet the funding available in each individual pot. Having



funding in a single pool allows more flexibility in allowing MPO staff to identify the best projects submitted and making the available funding fit those projects. In other words, it will be easier to combine funding types to fund projects.

- This recommendation does not include the STBGDA funding that is given to transit agencies based on population. Given the impact of COVID-19, transit agencies may be counting on this funding more so than in past years.

**Contact**

For questions and comments about this policy, contact:

**Anne Phillips**  
Principal Planner  
Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO)  
101 City Hall Plaza  
Durham, NC 27701  
Cell (919) 886 0258  
[anne.phillips@durhamnc.gov](mailto:anne.phillips@durhamnc.gov)

**Appendix A: Scoring Rubric**

Category	Description		Scoring Method	Justification	Max
Connectivity	<b>Bicycle and Pedestrian:</b> The project should connect to an existing bicycle or pedestrian facility in order to qualify for these points. To qualify for points, other facilities should be existing on the ground, under construction at time of application, or obligated for federal or state construction funding at the time of application. Scoring allows flexibility for new connections.	<b>Transit:</b> Directly connects the transit user with other modes, routes, systems, or destinations. The project directly serves riders and provides new connections between the transit system and other modes, routes, systems or destinations. To qualify for these points, the other modes, routes, systems, or destinations must be existing, under construction at the time of application, or obligated for federal or state construction funding at the time	For projects with less than three existing connections, one point for each planned connection up to three points maximum; 1 connection = 4 points, 2 connections = 7 points, 3 or more connections = 10 points	SPOT	10

<b>Access to Transit</b>	If the project improves access to transit services by being within ¼-mile of fixed-route transit stop.		Closest = 10; others relative ranked based on distance; 8 = next closest, etc. It is possible for multiple projects to get 10 points if they provide direct access	Supports equity, mode shift, and a multimodal transportation network.	10
<b>Population and Employment Density</b>	Variable score from 0-10 points based on the relative population and employment density within a 0.5 mile buffer of the corridor. For multi-jurisdictional agencies, the municipality where the project is located will be used to normalize scores.		Relative Score	Similar to a category in the Regional Bicycle and Pedestrian scoring rubric. MPO staff will perform this analysis using the regional model.	10
<b>Project Phase</b>	This category is intended to ensure that the MPO is leveraging federal funds for constructing projects in a timely manner.		Construction with partial funding = 30; Construction phase with no funding = 25, Right-of-Way = 20; Design = 15, Area Planning or Feasibility Study = 10	Keeps with precedent of prioritizing Construction/ROW	30
<b>Local Priority</b>	Each submitting agency will receive 15 points to apply to their projects.			Allows agencies to demonstrate their priorities. Giving all agencies that submit projects the same number of points supports fair geographic distribution of projects. No project can receive more than 10 local priority points.	15
<b>Environmental Justice and Equity</b>	Projects will receive points if located in communities of concern identified in DCHC MPO's 2020 Environmental Justice Report. <b>Sixty</b> percent of a project needs to be located in a community of concern or overlapping communities of concern to receive these points.	Transit Projects: Will receive a relative score based on demographic data from on-board. Transit agencies should provide this data.	0 or 1 Overlap CoC = 3; 2 Overlapping CoC = 6; 3 Overlapping CoC = 9; 4 Overlapping CoC = 12; 5 Overlapping CoC = 15	Aligns with Zero Disparity goal of 2050 MTP	15

Safety	Projects will receive a variable score from 0-15 points based on the relative number of bike/ped crashes in previous 5 years within a 1/4 mile buffer of the project, or an alternate corridor if the project is on a new location.	Relative Score	Aligns with Zero Fatalities and Serious Injury Goal of 2050 MTP	15
Emission/VT Reduction	Modeling staff will calculate the emissions reduction benefit for each project using the methods we use for CMAQ calculations. Projects will receive a variable score from 0-15 based on these emissions calculations. The highest scoring projects will be prioritized for CMAQ funding.	Relative Score	Aligns with Zero Emissions Goal of 2050 MTP	15
Total				120

**Q/C 19:** Bicycle and Pedestrian Connectivity

- This methodology disadvantages areas where there are no existing ped or bike facilities, but where ped and bike facilities may be much needed.

**LPA Response:** Is this balanced out by other categories such as safety?

**Q/C 20:** Transit Connectivity: This may need more specificity to define what is meant by "new" and "connection" for transit. ADA upgrades to existing stops? new bus stops? crosswalks? sidewalk connections to bus stops? What constitutes a destination under this definition? Suggest removing as most transit routes connect multiple destinations. What modes are eligible? and what is needed to be sufficient? i.e. does a park and ride meet this criteria? Does a bike rack?

**LPA Response:** Discuss with TC subcommittee.

**Q/C 21:** Access to Transit

- Suggest that this be based on network-distance as opposed to a radius, if feasible for staff to develop this metric in a reasonable amount of time.

**LPA Response:** Do we anticipate that this would make a significant difference in scoring? If not, would prefer to use current simplified method given limited staff resources.

**Q/C 22:** Access to Transit

- Could we retool this to be more of a general equity category to better reflect our UPWP goals?

**LPA Response:** See the EJ category. Also open to an equity matrix like those under review by the City of Durham CIP team, but would be concerned about staff resources to apply an equity matrix in addition to a scoring rubric.

**Q/C 23:** Environmental Justice

- Could we split this category and make part of it Climate Mitigation?

**LPA Response:** Climate mitigation now has its own category.

**Q/C 24:** Safety

- Given that bike/ped crashes are less likely to be reported than vehicular crashes suggest also using an index that factors in current bike/ped facilities, design speed, and number of users to ascertain level of risk, if feasible for staff to develop this metric in a reasonable amount of time.

**LPA Response:** Would prefer to use current simplified method given limited staff resources.

## Appendix B: New Project Application

DCHC MPO modeling staff will provide crash, emissions, equity, and access to transit data for all project submittals to ensure fairness and consistency in project scoring. Applicants must provide shapefiles for each project submittals.

- 1) Is your project included in the currently adopted Metropolitan Transportation Plan? Y/N
- 2) Is your project in a local plan? Y/N If yes, which plan and when was it adopted?
- 3) What is the total cost of the project?
- 3) What phase of funding are you applying for? When will this phase begin?
- 4) How much federal funding are you requesting? \*
- 5) What is the source and amount of the local match you are providing.
- 6) Please describe all work that has been completed on this project to date.
- 7) Please provide all work that needs to be completed on the project and a schedule for completing that work.
- 8) In no more than one paragraph, please explain how this project supports at least two goals from the currently adopted Metropolitan Transportation Plan.
- 9) If you do not receive funding from the RFF program, what other funding sources are available to you for this project?

\*Attach a budget that show the funding you are requesting, the local match you will provide, when the funding will be used (federal fiscal year), and that you have included the contingencies required by this funding policy.

Appendix C: Application for Shortfall Funding

Requests for funding for new and existing projects will be scored separately. You may only submit applications for shortfall funding if there are no substantial changes in scope to your project. If there are substantial changes in scope to your project, it must be submitted and scored as a new project.

- 1) How much additional funding do you need?
- How much federal funding are you requesting from the MPO?

- What is the source of the 20% local match?

- How much funding are you requesting from other sources?
- 2) Describe the work that has been completed on this project.
- 3) Describe the work that still needs to be completed and the schedule for completion of the remaining work.
- 4) Have you requested shortfall funding for this project from the MPO in the past? How many times? If yes, how much funding did you request and how much funding did you receive?
- 5) Have there been any changes in scope to this project? If so, please describe these changes to the scope of the project and how they have affected the cost of the project.

Criteria		Points		Points		Points
Percent Increase in Request Over Original Budget	Up to 50%	3	51-99%	2	100% or more	1
Highest Phase Complete	Less than Planning	1	ROW	2	CON	3
Previously Received Shortfall Funds	1 time	3	2 times	2	3 or more times	1