Transportation Finance: Alternative Funding Sources

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Office of Transportation Planning

Southeast Mass Joint Transportation Planning Group (JTPG)
Overview

TIP Funding
• MPOs
• TIPs (CMAQ)
• STIP
• Process

Alt. Funding
• TIGER
• REC (RTP)
• FLAP
• MassWORKs
• FEMA (HMGP)
Federal Funding
Federal funding process

USDOT
- Funding
- Federal regulations
- Financial guidance
- National policy goals
- Oversight
- MAP-21 Performance Management

MassDOT
- Funding match for federal-aid
- State regulations
- State policies / priorities
- Financial guidance
- Oversight
- State Performance Management

MPOs
- Planning and programming
- Long Range Transportation Plan
- Transportation Improvement Program
- Unified Planning Work Program
What is a TIP?

- Federally required investment program spanning 5-years (FFY 2017-FFY 2021) and listing all federally funded projects within an MPO
- TIPs are multi-modal including roadway, bicycle, pedestrian, and transit projects
- Funding is limited; communities must advance projects for consideration
- Developed each Spring (April – June generally)
What is a STIP?

- Federally required investment program spanning 5-years and listing all federally funded projects in the Commonwealth
- STIP is the combination of all 13 MPO prioritized investment programs and MassDOT prioritized investments

For example:
- Interstate pavement projects
- Bridge projects
- Mobility projects

13 TIPs

$3.1 billion in federal aid FY 14-18*

*Highway and Transit
What is the process / roles?

1. Project need
   - MPOs: Could be identified from an MPO planning study in the Unified Planning Work Program
   - Project proponent: District receives Project Need Form
   - MPOs: MPO could provide technical assistance through Unified Planning Work Program

2. Project planning
   - Project proponent: District can provide guidance for project planning
   - MPOs: MPO decides project investment priorities in TIP in Steps 4-5

3. Project initiation
   - Project proponent: District receives Project Initiation Form – Project Review Committee determines funding eligibility
   - MPOs: MPO decides project investment priorities in TIP in Steps 4-5

4. Design/permitting
   - Project proponent: Highway Division oversees project design and permitting
   - MPOs: MPO decides project investment priorities in TIP in Steps 4-5

5. Funding
   - Project proponent: MassDOT provides state match for federal funds approved by MPO
   - MPOs: MPO decides project investment priorities in TIP in Steps 4-5

6. Construction
   - Project proponent: MassDOT advertises construction after design is completed and all permits and ROW is secured
   - MPOs: MPO decides project investment priorities in TIP in Steps 4-5
What TIP funding is available?

• Capital – Transportation Improvement Program (Regional Target)
  • NHPP – National Highway Performance Program
    • Restricted to the National Highway System
  • STP - Surface Transportation Program
    • Flexible and broadly applied to multi-modal uses
  • HSIP – Highway Safety Improvement Program
    • Restricted to investments around proven safety areas
  • CMAQ – Congestion Mitigation Air Quality
    • Restricted to investments that benefit air quality
  • TAP – Transportation Alternatives Program
    • Competitive investment program for non-auto
Funding Sources for Consideration?

- Congestion Mitigation and Air Quality (CMAQ)
- Transportation Investment Generating Economic Recovery (TIGER)
- Recreational Trails (REC)
- Federal Land Aid Program (FLAP)
- MassWORKs
- Hazard Mitigation Grant Program (HMGP)
CMAQ

Photo Source: FHWA
http://www.fhwa.dot.gov/environment/cmaqpgs/viewPhotos/
What is CMAQ?

• The CMAQ program provides a flexible transportation funding source for projects and programs to help meet the requirements of the Clean Air Act.

• The CMAQ program supports two important goals of the Department of Transportation: improving air quality and relieving congestion.
CMAQ Eligibility

- Three Primary Areas of Eligibility:
  - Transportation Identity (Type of Project)
  - Emissions Reduction
  - Location in or benefitting a nonattainment or maintenance area
- Projects must be included in a Metropolitan Planning Organization’s (MPO)’s TIP, and/or the State Transportation Improvement Program.
What Projects are Eligible?

1. Projects that improve traffic flow (Intersection improvements, HOV, etc.)
2. Bicycle transportation and pedestrian facilities and programs
3. Ridesharing, pricing, and relative outreach activities
4. Alternative fuel projects such as vehicle acquisitions, and refueling facilities [Contact: DOER – Steve Russell: 617-626-7325]
5. Installation of advanced truck stop electrification systems
6. Transit investments, including transit vehicle acquisitions, construction of new facilities or improvements to facilities that increase transit capacity
7. Vehicle inspection/maintenance programs
8. Diesel Retrofits
CMAQ Consultation

• CMAQ Consultation Committee is responsible for determining whether a project shows an air quality benefit and is eligible for CMAQ funding
• The committee is composed of: MassDOT, DEP, FHWA, EPA, MPO Staff
• Each project proponent must quantitatively analyze the project for air quality benefit
• Once a project is determined eligible for funding, the MPO or MassDOT may consider programming in the TIP/STIP
• Contact: Trey Wadsworth
  Trey.Wadsworth@State.Ma.Us
**CMAQ and Project Development**

- Most CMAQ projects are developed through the Highway Divisions’ project development process.
- Need to determine if project is eligible for CMAQ.
MA Regional MPO Funding (FFY16)

(In Millions)

- Regional CMAQ: $31.25
- Regional HSIP: $10.00
- Regional TAP: $9.96
- Non-CMAQ/HSIP/TAP (STP): $123.36
What is TIGER?

- Transportation Investment Generating Economic Recovery (TIGER)

- Created under the American Recovery and Reinvestment Act (ARRA) of 2009

- Yearly Competitive Grant Process for projects that invest in road, rail, transit and port projects and that will achieve critical national objectives

- $1.5 billion for TIGER I; Between $474-$600 million for TIGER II - VII
TIGER Application Eligibility

• Eligible Applicants for TIGER Discretionary Grants:
  • State, local, and tribal governments, including U.S. territories, transit agencies, port authorities, and Metropolitan Planning Organizations (MPOs)

• Multiple States or jurisdictions may submit a joint application and must identify a lead applicant as the primary point of contact.

• Each applicant in a joint application must be an Eligible Applicant.
TIGER Application Criterion

• Primary Criteria:
  (a) State of Good Repair
  (b) Economic Competitiveness
  (c) Quality of Life
  (d) Environmental Sustainability
  (e) Safety

• Secondary Selection Criteria
  (a) Innovation
  (b) Partnership

• Pre-applications for 2015: Submitted by 11:59 PM E.D.T. on May 4, 2015 to Dot.gov/TIGER.
TIGER – Key Details

• Projects must have “Independent Utility”

• TIGER Discretionary Grants may not be less than $10 million plus a 20% match for a minimum total project amount of $12.5 million, except in rural areas, and not greater than $200 million.

• No more than 25 percent of the funds made available for TIGER Discretionary Grants (or $125 million) may be awarded to projects in a single State.

• TIGER Discretionary Grants may be used for up to 80 percent of the costs of a project, except in rural areas, in which case USDOT may fund up to 100 percent of the costs of a project.

• The grant application award history indicates that project applications within the range of $15 to $20 million are more likely to be selected.
TIGER Funding Breakdown

- **Transit**
  - 71 Projects
  - $1,309,705,649
  - 2.9% of TIGER Funding

- **Rail**
  - 60 Projects
  - $985,380,349
  - 21.4% of TIGER Funding

- **Port**
  - 43 Projects
  - $523,585,140
  - 11.4% of TIGER Funding

- **Bicycle & Pedestrian**
  - 16 Projects
  - $213,992,463
  - 4.7% of TIGER Funding

- **Road**
  - 127 Projects
  - $1,503,603,206
  - 32.7% of TIGER Funding

Planning
- 64 Projects
- $59,207,536
- 1.3% of TIGER Funding

Source: https://www.transportation.gov/tiger/about
TIGER Grant Awards In Massachusetts

TIGER I (2009)
• “Fitchburg Commuter Rail Extension/Wachusett Station” submitted by MART - $55 million
• “Fast Track Bridge Replacement in New Bedford” submitted by Massachusetts Executive Office of Transportation and Public Works - $20 million
• “Revere Transit Facility/Streetscape” submitted by City of Revere - $20 million

TIGER III (2011)
• “Merrimack River Bridge Rehabilitation” submitted by MBTA - $10 million

TIGER V (2013)
• “Connect Historic Boston” submitted by City of Boston - $15.5 million

TIGER VI (2014)
• Ruggles Commuter Rail Station Improvements submitted by MBTA - $20 million

TIGER VII (2015)
• “Lowell Canal Bridges” submitted by the City of Lowell - $13.4 million
Recreational Trails (REC)
What is REC?

• The Recreational Trails Program (REC) is a program run by The Massachusetts Department of Conservation and Recreation (DCR) and funded by FHWA.

• Provides reimbursement grants ranging from $2,000 to $50,000 for trails projects; Some larger amounts up to $100,000.

• The Massachusetts Department of Conservation and Recreation (DCR) accepts applications for Recreational Trails Grants on an annual basis. The next deadline for all REC grants is February 1, 2016.
REC Trails – Types of Projects

• Construction of new trails.

• Acquisition of land or easements to protect critical sections of priority trails (such as state-wide Long-Distance trails).

• Enhancement, stewardship and maintenance of existing trails (this could include bridge construction, drainage work, trail hardening, trail grooming, etc.).

• Development of trailside and trailhead facilities (such as signage, kiosks, maps, gates, and interpretive displays).

• Trail stewardship aimed at educating users, minimizing impacts on natural and cultural resources, and resolving conflicts.

• Projects that demonstrate creative approaches to trail construction, partnerships, resource protection, and stewardship.

• Provision of features that facilitate trail access and use by persons with disabilities.

REC Trails – DCR Contact/Info

Applications are available online at:

Amanda Lewis
Recreational Trails Program Coordinator
136 Damon Road
Northampton, MA 01060
(413) 586-8706 ext. 19
amanda.lewis@state.ma.us
Federal Lands Access Program
FHWA Federal Lands Access Program (FLAP)

• Purpose: Provide funds for projects on Federal Lands access transportation facilities that are located on or adjacent to, or that provide access to Federal Lands.

• Eligible Activities: Transportation planning, research, engineering, preventive maintenance, rehabilitation, restoration, construction, and reconstruction of Federal lands access transportation facilities located on or adjacent to, or that provide access to, Federal land, and—
  o adjacent vehicular parking areas;
  o acquisition of necessary scenic easements and scenic or historic sites;
  o provisions for pedestrians and bicycles;
  o environmental mitigation in or adjacent to Federal land to improve public safety and reduce vehicle-caused wildlife mortality while maintaining habitat connectivity;
  o construction and reconstruction of roadside rest areas, including sanitary and water facilities; and
  o other appropriate public road facilities, as determined by the Secretary.
  o Operation and maintenance of transit facilities.
  o Any transportation project eligible for assistance under title 23 of the United States Code that is within or adjacent to, or that provides access to, Federal land.

Source: http://www.fhwa.dot.gov/map21/factsheets/flap.cfm
# MA FLAP Program of Projects FFY13-14

<table>
<thead>
<tr>
<th>Application Number</th>
<th>Project/Facility Name</th>
<th>Project Type</th>
<th>Federal Land Unit Accessed</th>
<th>Applicant</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA-01</td>
<td>Pedestrian Path with Street Access and viewing node</td>
<td>Pedestrian Walkway-Merrimack Riverwalk</td>
<td>National Park Service - Lowell National Historical Park</td>
<td>City of Lowell</td>
<td>Middlesex</td>
</tr>
<tr>
<td>MA-02</td>
<td>Safety Enhancements and Structural Rehabilitation of Elm St Garage</td>
<td>Parking garage safety enhancements/structural rehabilitation</td>
<td>National Park Service - New Bedford Whaling National Historical Park</td>
<td>City of New Bedford</td>
<td>Bristol</td>
</tr>
</tbody>
</table>

### MA FLAP Project Scoring Criteria

**Appendix A - Access Program Screening Process**

#### Eastern Federal Lands Highway Division

**Access Program**

**Project Screening and Rating Criteria for General Projects**

Instructions: if the answer is yes to criteria below, then allocate points. Points are cumulative.

**First two "Yes" criteria shall have points, otherwise project does not move forward to Step 2 (Rating Criteria).**

<table>
<thead>
<tr>
<th>Economic/Visitation Prioritization</th>
<th>Point allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do FLM/State DOT, and Facility Owner agree that the project is an economic/visitation generator?</td>
<td>45</td>
</tr>
<tr>
<td>Is it on current State Transportation Improvement Program?</td>
<td>10</td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td></td>
</tr>
<tr>
<td>Submitted by facility owner**</td>
<td>40</td>
</tr>
<tr>
<td>Project supported by FLM**</td>
<td>40</td>
</tr>
<tr>
<td>20% match</td>
<td>No points</td>
</tr>
<tr>
<td>Leverage additional funding more than the required 20%</td>
<td></td>
</tr>
<tr>
<td>20% match = ($1-100%) of project cost</td>
<td>5</td>
</tr>
<tr>
<td>20% match = (11-200%) of project cost</td>
<td>10</td>
</tr>
<tr>
<td>20% match = (21-300%) of project cost</td>
<td>20</td>
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**STEP 2: PROJECT RATING (max 100 points)**

<table>
<thead>
<tr>
<th>General Projects</th>
<th>Point allocation</th>
</tr>
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<tbody>
<tr>
<td>Safety (Max 30 points)</td>
<td></td>
</tr>
<tr>
<td>Improves identified crash site</td>
<td>5</td>
</tr>
<tr>
<td>Improves identified hazardous conditions in Road Safety Audit (RSA)/Engineering Assessment</td>
<td>5</td>
</tr>
<tr>
<td>Improves safety for wide range of users</td>
<td>20</td>
</tr>
<tr>
<td>Accessibility and Mobility (Max 20 points)</td>
<td></td>
</tr>
<tr>
<td>Identified route connected to a FLA inventory route</td>
<td>5</td>
</tr>
<tr>
<td>Identified need on FLA plan, State or County Comprehensive Plan</td>
<td>5</td>
</tr>
<tr>
<td>Fills missing link in network, removes travel restriction, bottleneck</td>
<td>5</td>
</tr>
<tr>
<td>Improves mode choice, explores and enhances transit systems (i.e. operation and maintenance of transit facilities)</td>
<td>5</td>
</tr>
<tr>
<td>Preservation (Max 20 points)</td>
<td></td>
</tr>
<tr>
<td>Improves National Bridge Inventory System (NBIS) deficient bridge rating</td>
<td>5</td>
</tr>
<tr>
<td>Improves surface condition</td>
<td>5</td>
</tr>
</tbody>
</table>

**Appendix A - Access Program Screening Process**

#### Eastern Federal Lands Highway Division

**Access Program**

**Project Screening and Rating Criteria for Studies and Assessments**

Instructions: if the answer is yes to criteria below, then allocate points. Points are cumulative.

**First two "Yes" criteria shall have points, otherwise project does not move forward to Step 2 (Rating Criteria).**

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</table>

**STEP 2: PROJECT RATING (max 100 points)**

<table>
<thead>
<tr>
<th>Studies and Assessments</th>
<th>Point allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety (Max 30 points)</td>
<td></td>
</tr>
<tr>
<td>Will address issues related to safety</td>
<td>15</td>
</tr>
<tr>
<td>Will consider safety for all users (pedestrians, bicyclists, motor vehicles)</td>
<td>15</td>
</tr>
<tr>
<td>Accessibility and Mobility (Max 25 points)</td>
<td></td>
</tr>
<tr>
<td>Will consider issues related to traffic congestion</td>
<td>10</td>
</tr>
<tr>
<td>Will address mode choice, explore and enhance transit systems (i.e. operation and maintenance of transit facilities)</td>
<td>15</td>
</tr>
<tr>
<td>Economic Development (Max 20 points)</td>
<td></td>
</tr>
<tr>
<td>Considers ways of attracting utilization</td>
<td>8</td>
</tr>
<tr>
<td>Addresses more than one FLM</td>
<td>4</td>
</tr>
<tr>
<td>Provides Economic Benefit to the Local Community</td>
<td>8</td>
</tr>
<tr>
<td>Environmental Quality and Sustainability (Max 25 points)</td>
<td></td>
</tr>
<tr>
<td>Addresses water quality, fish passage and wildlife connectivity</td>
<td>5</td>
</tr>
<tr>
<td>Addresses erosion, scour, and/or sedimentation issues</td>
<td>5</td>
</tr>
<tr>
<td>Addresses bicycle or pedestrian opportunities</td>
<td>15</td>
</tr>
</tbody>
</table>

MA FLAP Goals and Application Tips

- Facility owner must be the applicant (FLMA cannot be an applicant)
- Use photos and maps to tell your story
- Programmed projects will be considered ahead of new project proposals
- Project awards that exceed $300K are preferred for project obligation
- Projects that can be scaled or phased are highly recommended as you could receive partial funding


Photo source: [http://www.nps.gov/nebe/planyourvisit/fees.htm](http://www.nps.gov/nebe/planyourvisit/fees.htm)
MA FLAP Goals and Application Tips

- Projects that have prior public dollar investments will be considered ahead of new project proposals.
- Project delivery with stewardship and oversight will be through FHWA-EFL or MassDOT. Delivery by a local agency is contingent on the joint approval of the FHWA-EFL and MassDOT.
- If there are multiple applications serving one Federal Land Management Agency (FLMA), then the FLMA will be asked to provide their prioritized project listing 5 business days after the call for projects closing date.
- The funding match can be both the hard match (cash), Federal Lands Transportation Program (FLTP) funds, and soft match, similar to Federal Aid Division Office soft match guidelines.

Source: http://flh.fhwa.dot.gov/programs/flap/ma
MassWorks
MassWorks

- Public infrastructure funding to support economic development and job creation
  - Economic development or housing opportunities in Gateway Cities
  - City and town center revitalization projects or mill redevelopment opportunities
  - A mix of commercial and residential development or contribute to a mix of development within an area
  - Transportation improvements which enhance roadway safety in small, rural communities.

MassWorks Application and Eligibility

- Funding round every year, late August/early September (decisions 8 weeks after close of application period)
- Only projects ready to start construction in the upcoming construction season should apply
- Communities with population 7,000 or less can apply for design/engineering costs with the construction grant
- Communities with population over 7,000 can apply for design/engineering costs with the construction grant at no more than 10% of total grant request
- Projects must align with Administration funding priorities (EOHED)

2015 MassWorks Program Priorities

• Support the production of multi-family housing in mixed-use districts that are well-connected to significant employment opportunities
• Support economic development in weak or distressed areas
• Support communities that have engaged, or are in the process of engaging in a Community Compact with the Commonwealth

2015 MassWorks Award Results

• Fall River- Airport Road High Service Area Water Loop ($969,100)
  Ensures adequate water pressure for the Life Science and Technology Park and the Commerce Park. Both parks are in a Priority Development Area

• Mansfield- Mixed-use Transit Oriented Development and Street/Sidewalk Improvements ($2,374,379)
  Street and sidewalk improvements around Mansfield MBTA Commuter Rail station that support a new 81-unit, mixed-use transit-oriented development project

• Rochester- Safety Improvements to Neck Road ($92,700)
  Enhances safety of 1,150-foot section of Neck Road

Hazard Mitigation Grant Program
FEMA Hazard Mitigation Grant Program

- **Purpose:** assist communities that have experienced a disaster to significantly reduce or permanently eliminate future risk to lives and property from natural hazards.
- **Available for** ‘all-hazard’ mitigation projects (flood, wind, etc.) and planning.
- **No minimum/maximum award amount**
- **25% non-federal match**
- **36-month maximum period of performance**

Thank You

Questions?