**MEMORANDUM**

TO: National Capital Region Transportation Planning Board (TPB)

FROM: John Swanson, Principal Transportation Planner

SUBJECT: MAP-21’s Transportation Alternatives Program (TAP)

DATE: November 15, 2012

**Overview**

The Transportation Alternatives Program (TAP) is a new formula program under MAP-21 that provides funding to projects considered “alternatives” to traditional highway construction. Eligible uses include ped/bike facilities, safe routes and accessibility improvements for non-drivers, community improvement and environmental mitigation, recreational trail program projects, safe routes to school projects, and others.

The TAP combines three former federal programs: Transportation Enhancements (TE), Safe Routes to Schools (SRTS), and Recreational Trails (RTP). But funding for the new program is only 2/3 the funding previously available for the three predecessor programs. Total funding available nationwide is $808 million in FY2013 and $819 million in FY2014. The program largely maintains eligibility from the earlier programs with some key changes. For example, the program no longer can be used to fund acquisition of scenic easements, safety/education for pedestrians/bicyclists (although programs targeting children are still eligible) or transportation museums. A newly added eligible category is called “safe routes for non-drivers.”

One of the key differences between the TAP and the previous programs is that large MPOs will play a new role in project selection for a portion of program funds that will be suballocated to large metropolitan regions. MAP-21 specified that in urbanized areas with populations over 200,000, the metropolitan planning organization *“shall select projects carried out within the boundaries of the applicable metropolitan planning area, in consultation with the relevant state.”*

**Launching the Program Nationwide**

The Federal Highway Administration issued Interim Guidance for the program on October 22, 2012. MAP-21 indicates that FY2013 is the first year in which TAP program requirements must be followed.

The allocation and sub-allocation of TAP funding is structured as follows:

* Each state will be allocated a portion of TAP funding based upon the state’s proportionate share of FY2009 Transportation Enhancements funding.
* Within each state the Recreational Trails funds will be taken off the top of every state’s allocation. These set-asides will be equivalent to each state’s 2009 apportionment for federal Recreational Trails funds. Out of the total TAP apportionments for each state, the following percentages are expected to be set aside for Recreational Trails: 26% in DC, 9% in Maryland, and 5% in Virginia. MAP-21 requires the governors/DC mayor to designate the agency to administer Recreational Trails funds.
* The remaining TAP funds will be suballocated as follows:
  + 50% will be suballocated to large urbanized areas with populations larger than 200,000. The amount of funding allocated to each of these areas will be proportional to the size of its population. The MPOs in these areas will be responsible for project selection.
  + 50% of funds will suballocated for statewide project selection.

The TAP Interim Guidance specifies that an MPO can allow a state to run the competitive selection process for its suballocated TAP funding. However, the state cannot require the MPO to turn over its selection process.

The law permits funding from the following categories to be transferred to TAP projects: the National Highway Performance Program (NHPP), Surface Transportation Program (STP), Highway Safety Improvement Program (HSIP), Congestion Mitigation/Air Quality Program (CMAQ). The law also permits state DOTs to transfer the TAP funding that is suballocated for statewide project selection to these same categories.

**Establishing the Program in Our Region**

In the National Capital Region, this new program offers an unusual opportunity to fund regional priorities and complement regional planning activities. It could promote key goals of the TPB, including increasing non-motorized transportation options and promoting the development of regional activity centers in all jurisdictions of the region. It will also complement a range of TPB planning activities, including the Transportation/Land-Use Connections (TLC) Program, which funds small-scale planning grants often focused on non-motorized modes, and the TPB’s role in managing project selection for federal programs focused on the needs of low-income people and persons with disabilities.

The TPB Citizens Advisory Committee and the Access for All Advisory Committee have spoken in favor of the establishment of a robust regional TAP program. At their meeting in October, CAC members spoke about the need to be sure the Transportation Alternatives Program is implemented in a unified manner within our region and is not simply three separate programs in D.C., Maryland and Virginia. Recognizing that this new federal program represents a rare opportunity for regional planning but that the TPB faces a unique challenge in coordinating among three state-level jurisdictions to implement a regional program, the CAC unanimously passed the following resolution:

“The CAC recommends that the TPB move forward expeditiously to develop a competitive regional program for implementing the new federal Transportation Alternatives Program, using a transparent project selection process and regional project selection criteria.”

At its October 25, 2012 meeting, the Access for All (AFA) Advisory Committee agreed with the CAC’s recommendation and asked that the TPB also consider giving priority to TAP project applications that improve transportation for persons with disabilities, those with limited incomes and, minority communities.  The AFA suggested that within the TPB evaluation criteria for scoring projects, extra points could be assigned to applications that address transportation for these groups.

Implementing the program in our three-state region poses unique challenges. An effective regional program must be flexible enough to work with the processes of each of our states while maintaining an identity and purpose that is common across our state lines. Applicants in our region will be eligible for both suballocated and statewide funds within their respective states, and therefore we will need to coordinate within each state and among them, seeking to align the selection process and scheduling as much as possible to provide a seamless application process.

In addition, the transitions from the previous programs may be complicated. Clearly, the law intends for the new rules to apply for the new TAP funding, which begins in FY2013. But in many cases, funding from the previous programs (TE and SRTS) will continue to be expended according to the rules of those previous programs, which did not suballocate funding and had somewhat different eligibility requirements. In addition, there may be project applications that have been submitted to the previous TE and SRTS programs that have not yet been funded but may be eligible for the new TAP funding.

For all three states combined, the suballocated portion of program funds for our region is expected to be $4-5 million annually. Relative to the eligible projects throughout the region, this funding total will be very modest, a fact that further supports the need to establish a selection process that is efficient and well-coordinated.

**TPB Staff Proposal**

Based upon staff review of the law and guidance, and discussions with the three state DOTs, TPB staff is proposing the establishment of a regional TAP project selection process in our region. The process would be grounded in the following key features for both suballocated and statewide funds:

* Projects will be selected for the suballocated funds by the TPB using regional project selection criteria established by the TPB. For the statewide funds, project selection will be conducted by the three states.
* Applicants will fill out only one application issued by their respective states, making them eligible for project selection for both suballocated and statewide funds.
* Funds allocated from each state, both for the statewide and suballocated funds, will stay within that state.
* State transportation agencies will manage project implementation by successful project applicants.

The TPB’s proposed competitive selection process for projects funded through the region’s TAP suballocation, would include the following steps and features:

* The state DOTs would screen all applications for eligibility and readiness, ensuring that only eligible and implementable projects would be considered.
* An impartial regional panel appointed by the TPB would select projects using regional project selection criteria developed to reflect agreed-upon regional goals. This panel will be similar to the selection panel for the TPB’s Transportation/Land-Use Connections (TLC) Program which is chaired by a TPB member and includes representatives from national-level organizations, including the Transportation Research Board (TRB), the American Planning Association (APA), the Institute for Transportation Engineers (ITE), and the American Institute of Architects (AIA).
* The regional project selection process would be coordinated with the state project selection process. Ideally, the selection panel would consider projects from all three states at the same time (although again, suballocated funds for each state would only be awarded to projects within that state).
* As indicated in the Interim Federal Guidance, the program will require a minimum 20% local match.

**Moving Forward**

TPB staff supports a proposal by the Maryland Department of Transportation that TAP funds for FY2013 and FY2014 be combined into one joint solicitation to be issued early in 2013, with project selection occurring by the end of June. Such a combination of funding would ease the transition from previous programs and would permit the program partners additional time to establish the new program.

TPB staff is currently conducting discussions with DDOT, MDOT and VDOT regarding the establishment of the TAP in our region. Staff will provide a progress report at the Board’s next meeting on

December 19.