ITEM 9 - Information

January 28, 2009

Status Report on the Federal Transportation Stimulus Package and Briefing on Proposed Criteria and Process For Prioritizing Stimulus-related Transportation Projects

Staff

Recommendation:

- Receive briefing by the TPB representatives from the FHWA and FTA on the status to date of the federal transportation stimulus package.
- Receive briefing on responses to the December 17 directions regarding the prioritization of stimulus-related transportation projects in the Washington region.

Issues: None

Background: At the December 17 meeting, the TPB

directed the Steering Committee to propose

criteria for prioritizing federal

stimulus-related transportation projects in the Washington region, as well as the best structure and process for TPB to influence stimulus-related transportation funding. In addition, the Scenario Task Force was directed to report back to the TPB with a

prioritized list of new major regional transportation projects to be considered,

circumstances permitting.

National Capital Region Transportation Planning Board

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MEMORANDUM

Date:

January 22, 2009

To:

Transportation Planning Board

From:

Ronald F. Kirby

Director of Transportation Planning

Re:

Response to TPB Request at December 17, 2008

Meeting Regarding Criteria and Process for Prioritizing

Stimulus-Related Transportation Projects

At its December 17, 2008 meeting, the TPB approved the following motion:

Number 1, that the chairman of the TPB be directed to send a letter to the Congressional Delegation and state leadership that, quote, "the transportation stimulus package must reflect fair and equitable distribution to metropolitan areas. At a minimum, the distribution should reflect the STP percentage allocated to metropolitan areas of 35 percent, recognizing the great economic contribution of metropolitan areas in the U.S."

Number 2, that the Steering Committee be directed to report back to the TPB on January 28 proposed criteria for prioritizing stimulus-related transportation projects, and the best structure and process for the TPB to exert the maximum influence in stimulus-related transportation funding.

Number 3, that the Scenario Task Force be directed to report back to the TPB on January 28 with a proposed prioritized list of new major regional transportation projects to be considered, circumstances permitting.

In discussing this motion before voting on it, Board members clarified that the statement under point Number 1 was intended to be mode-neutral, and that the letter from the Chairman should make that clear. It was also clarified that the statement under point Number 2 was focused on future stimulus-related funding.

Transportation Planning Board January 22, 2009 Page 2

In response to point Number 1, the enclosed letter and attachment from 2008 TPB Chairman Phil Mendelson were sent to the Congressional delegation and state transportation leadership. I am pleased to report that the transportation section of the stimulus bill released by the House Appropriations Committee on January 15, 2009 includes a provision that 45 percent of the \$29.4 billion in transportation funds distributed to states should be suballocated to metropolitan areas within the states in accordance with the FHWA Surface Transportation Program (STP) formula. Further, of the \$9 billion provided for transit capital assistance, \$5.4 billion will be distributed to designated recipients in major metropolitan areas through the FTA Urbanized Area Formula Program. These percentage suballocations exceed the 35 percent minimum requested in the TPB's letter.

Response to Point Number 2

As noted in the letter from TPB Chairman Mendelson responding to point Number 1, the importance of directing stimulus funding to projects that can be implemented quickly means that stimulus-related transportation projects will almost certainly be funded through the existing programs of the Federal Highway Administration (FHWA) and the Federal Transit Administration. This is in fact the mechanism included in the House bill of January 15.

With regard to the specific projects that will be selected for stimulus funding, the House bill gives priority to the existing TIP and STIP processes to govern the project selection process. That is, projects selected for stimulus funding will be drawn primarily from approved TIPs/STIPs, or added into those TIPs/STIPs by amendment. It seems likely that the vast majority of projects proposed by state transportation agencies and transit authorities for the first stimulus package will be drawn from approved TIPs/STIPs and that they will be heavily focused on maintenance and rehabilitation activities that can be activated quickly. (The January 15 House bill sets deadlines for obligation of funds under the stimulus package that range from 150 to 180 days after the date of distribution of the funds to states and transit recipients). Detailed discussions are already underway between FHWA/FTA representatives, state agencies, and transit recipients concerning project selection for the first stimulus package.

Given that Congress is still drafting the stimulus package, with approval expected in early February, the TPB may be able to provide additional input on the package at its January 28 meeting. At a minimum it seems appropriate to request that the FHWA and FTA representatives as well as the state transportation agencies and transit agencies provide a status report on the project selection process to the TPB at the January 28 meeting.

In response to point number 2 of the TPB's December 17 resolution, "the best structure and process for TPB to exert the maximum influence in stimulus-related funding" is surely to focus on the existing TIP and CLRP process. The TPB approved the FY2009-2014 TIP at its November 19, 2008 meeting, and is just beginning the process of developing the FY2010-2015 TIP. The strong indications that funding from the first stimulus package will be directed primarily to projects in already approved TIP/STIPs emphasizes the importance of the TIP process; when any new funding appears unexpectedly and must be committed quickly, the existing TIP/STIP process will normally be used to govern project selection. (The January 15 House bill allows for 100 percent federal funding on most stimulus projects. Changing the funding source or match for projects in existing TIPs/STIPs will require amendments. Such amendments are likely to be presented for the TPB's consideration at its February 18 meeting.)

It is clear, of course, that state transportation agencies and transit agencies have some discretion in choosing projects from within the approved TIP/STIPs for stimulus funding. In addition to stressing the issue of "fair and equitable distribution to metropolitan areas", the TPB might want to propose additional criteria for prioritizing stimulus-related transportation projects. Given the current backlog of maintenance and rehabilitation needs for both highway and transit systems, "maintenance and rehabilitation of existing systems" should probably be the top priority. Other priorities might include:

- Safety programs, particularly pedestrian and bicycle safety
- Efficient operation of the existing system, including traffic operations and incident management
- Effective demand management, through Commuter Connections and related programs, emphasizing alternatives to private automobile use during congested periods such as ride-sharing, transit, and telecommuting
- Bicycle and trail projects identified by the TPB Bicycle Subcommittee
- Bus transit improvements identified by the TPB Regional Bus Subcommittee
- High value road and transit capacity projects that have received approval and can be implemented quickly

Given that the December 18, 2008 TPB resolution was referring under point Number 2 to <u>future</u> stimulus-related funding, it is important to draw attention to the TPB's Policy Principles for the 2009 Authorization of Federal Surface Transportation Programs, approved September 18, 2009, as has been done in Chairman Mendelson's letter responding to point Number 1. It is entirely possible that there will not be any future stimulus-related packages after this first one, in which case future transportation funding and prioritization will depend upon the 2009 Authorization.

Transportation Planning Board January 22, 2009 Page 4

Response to Point Number 3

The TPB Scenario Task Force is currently working on two future transportation and land use scenarios for the Washington region: the "CLRP Aspirations" and "What Would It Take?" Scenarios. These scenarios are currently being defined and analyzed, with results expected around July of 2009. The timeline for this work is aimed at providing inputs to the 2010 CLRP update process, which will begin in the fall of 2009. Given this schedule, the TPB Scenario Task force is not in a position to provide a prioritized list of projects based on its ongoing work at the January 28 meeting.

However, one important observation that can be made on behalf of the Scenario Task Force on January 28 is that the scenarios it is developing on future land use, BRT, and greenhouse gas measures rely on the implementation of baseline projects and programs specified in the 2008 CLRP, including in particular sufficient capacity on the region's transit system to accommodate projected demand. Four additional transit projects not currently in the CLRP are also included in the baseline for the new scenarios: Georgia Ave Transitway (BRT from Silver Spring to the ICC); Purple Line from Silver Spring to New Carrollton (LRT); US 1 Transitway from Potomac Yard to Potomac Mills/Woodbridge (BRT); and VRE Extension to Haymarket. Current revenue projections at the state and local level suggest that delivering this baseline system may be a major challenge, even with the much-anticipated stimulus package. Focusing on prioritizing current and potential new funding to ensure that these 2008 baseline projects and programs can be delivered would be a good first step in laying the groundwork for developing new projects under the TPB Scenario Study for the 2010 CLRP update.

National Capital Region Transportation Planning Board

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MEMORANDUM

Date:

January 14, 2009

To:

Transportation Planning Board

From:

Ronald Kirby

Director, Department of Transportation Planning

Subject:

Letter to the Region's Congressional Delegation regarding National Economic

Stimulus Package

As requested by the TPB at its December 17, 2008 meeting, the attached letter was e-mailed or faxed to the offices of the following members of the Congressional Delegation and State Transportation Leadership, along with the TPB's policy principles for the next federal authorization of surface transportation programs.

Representative Roscoe Bartlett

Representative Gerald Connolly

Representative Donna Edwards

Representative Steny Hover

Representative James Moran

Representative Eleanor Holmes-Norton

Representative Christopher Van Hollen

Representative Robert Wittman

Representative Frank Wolf

Senator Ben Cardin

Senator Barbara Mikulski

Senator Mark Warner

Senator James Webb

Pierce R. Homer, Virginia Secretary of Transportation

John D. Porcari, Maryland Secretary of Transportation

Frank Seales, Jr., Acting Interim Director, District Department of Transportation

Attachment(s)

National Capital Region Transportation Planning Board

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December 30, 2008

The Honorable Roscoe Bartlett United States House of Representatives 2412 Rayburn House Office Building Washington, DC 20515-2006

Dear Representative Bartlett:

The National Capital Region Transportation Planning Board (TPB), the federally designated Metropolitan Planning Organization (MPO) for the Washington Region, is very pleased that current plans for an economic stimulus package include significant funding for transportation infrastructure, including roads, bridges, and transit systems. Transportation infrastructure investments provide an excellent opportunity to maximize near term job creation while laying a strong foundation for the nation's future economic growth and competitiveness.

Recognizing the importance of directing stimulus funding to projects that can be implemented quickly, the TPB anticipates that stimulus funding for highway and transit projects will be provided through the existing programs of the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) of the U.S. Department of Transportation. As the transportation planning agency for a major metropolitan area with significant unmet highway and transit maintenance, rehabilitation, and capacity needs, the TPB believes that the transportation stimulus package must ensure that a fair and equitable share of the funding is directed to addressing the pressing needs of major metropolitan areas, reflecting their critical contribution to the nation's economy. This could be accomplished by distributing at least 35 percent of the funds to major metropolitan areas through the FHWA Surface Transportation Program and the FTA Urbanized Area Formula Program.

In addition to stimulus funding to address pressing near-term economic challenges, the TPB believes that fundamental changes are needed in the structure and funding of ongoing federal surface transportation programs. The TPB recently approved a set of policy principles (copy attached) to help guide the next federal authorization of surface transportation programs, following the expiration of the SAFETEA-LU authorization on September 30, 2009. These policy principles call for a substantial increase in federal transportation funding; an explicit focus on the repair and efficient operation of existing highway and transit systems; uniform evaluation procedures and criteria for assessing all new modal and intermodal capacity increases; and increased funding focused on metropolitan transportation challenges. The TPB hopes you will find these policy principles a useful resource as deliberations proceed on the next transportation authorization bill over the coming year.

Thank you for considering the TPB's views on these important initiatives for the nation's economy and transportation infrastructure. For further information, please contact the Director of Transportation Planning for the TPB, Ronald Kirby, at (202) 962-3310 or rkirby@mwcog.org.

Sincerely.

Phil Mendelson

Chairman

National Capital Region

Transportation Planning Board

NATIONAL CAPITAL REGION TRANSPORTATION PLANNING BOARD

Policy Principles for the 2009 Authorization of Federal Surface Transportation Programs

- Fundamental changes are needed in the current structure and funding of federal surface transportation programs: current planning, programming, and environmental processes are overly cumbersome and inefficient, and inadequate funding levels are resulting in serious under-investment in transportation.
- An explicit program focus is needed to put and keep the nation's transportation infrastructure in a state of good repair, and to ensure that it is operated efficiently and safely.
- Decisions on investment in new transportation capacity should be based on a rigorous and comprehensive analysis of economic, social and environmental benefits and costs, which assesses all modal and intermodal options with uniform evaluation procedures and criteria.
- Federal transportation policy should provide for increased federal funding focused on metropolitan congestion and other metropolitan transportation challenges, with stronger partnerships between federal, state, regional and local transportation officials.
- A substantial increase in federal transportation funding will be needed to address the current under-investment in the nation's transportation system, and should be sought from:
 - Increases in federal fuel taxes or other user-based taxes and fees;
 - Pricing strategies enabled by emerging technology for all modes of travel, including rates that vary by time of day, type of vehicle, level of emissions, and specific infrastructure segments used;
 - Inclusion of major transportation investments in legislation to create national infrastructure banks or bonding programs; and
 - Auction of pollution emissions allowances.

Approved September 17, 2008