

## 6. RURAL FUNDING ALLOCATION

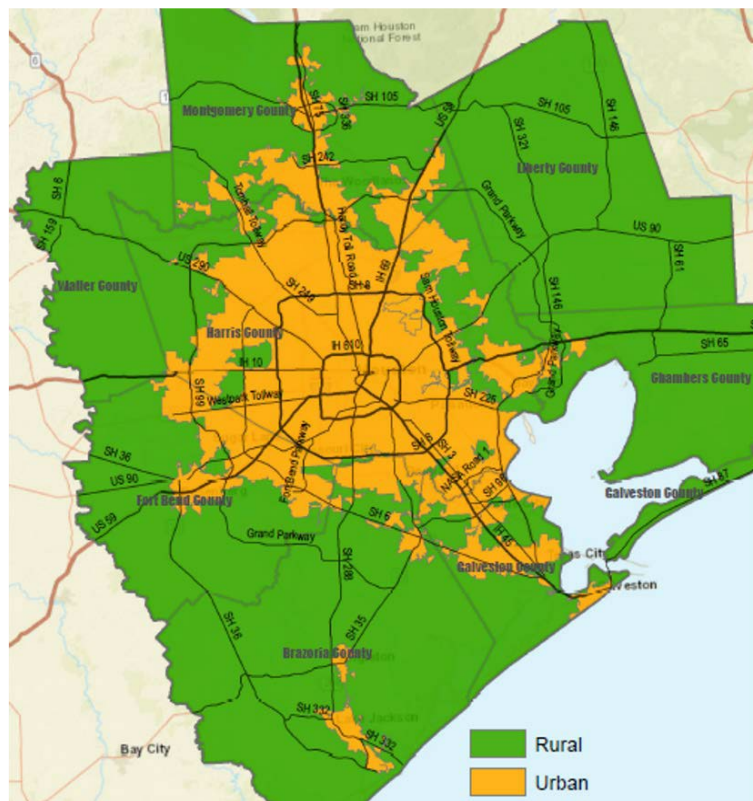
### Background

At the March 2020 Transportation Policy Council (TPC) meeting the Council approved goals, priorities, and policies for the next Call for Projects. These goals, priorities and policies guide the H-GAC staff, Transportation Advisory Committee (TAC) and the Transportation Improvement Program (TIP) Subcommittee in development of project selection criteria and evaluation methodologies for the next Call for Projects.

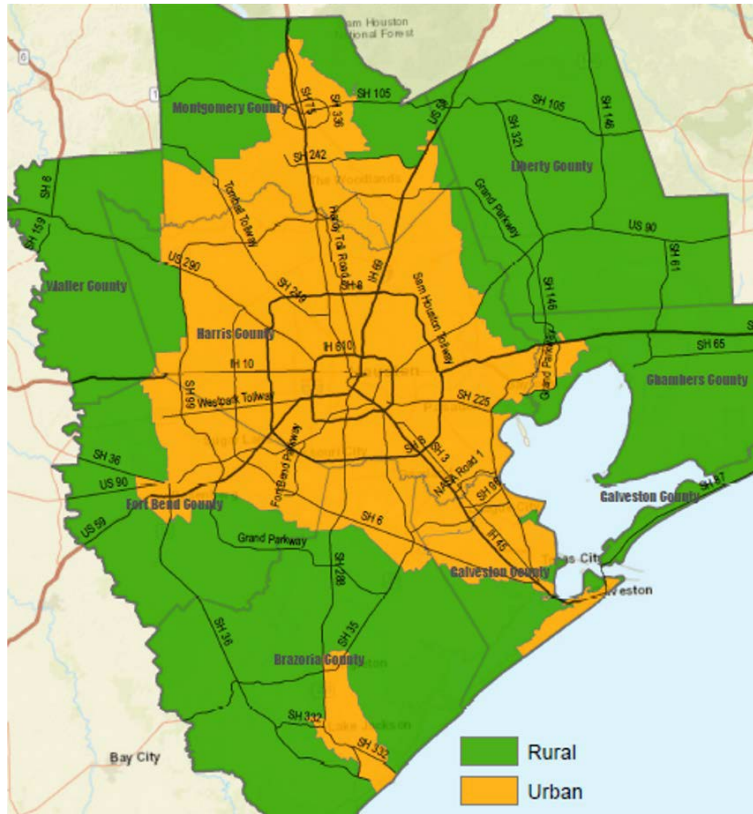
### Current Situation

Over the last two months, H-GAC staff and the TIP Subcommittee have been discussing definitions for the urban and rural areas in the 8-county Metropolitan Planning Area. The goal of establishing definitions for urban and rural areas is to ensure geographic equity in the project selection and prioritization process. Staff developed and presented four options using the accepted urbanized area as a guide. Maps 1 and 2 below include the 2020 Census map and the Adjusted Urbanized Area map which was developed by H-GAC and TxDOT in accordance with federal regulations. The most recent adjusted urbanized area boundary was approved in 2013. Maps below show the Census and Adjusted Urbanized areas in brown/orange and the rural areas in green.

**Map 1 - Census Urbanized Area**



Map 2 - Adjusted Urbanized Area



Staff developed and presented four options to the TIP Subcommittee for discussion at the December 1, 2021 meeting. These options included the following.

1. Use activity population density to differentiate high, medium and low-density areas.
  - Create geographic equity planning factors criteria and provide high points to low density areas, medium points to medium density areas, and no points to high density areas.
2. Use accepted urbanized area boundary (census or Adjusted) to differentiate urban, rural projects
  - Create geographic equity planning factors criteria and provide points to projects located in the rural areas
3. Based on accepted urbanized (census or Adjusted) area boundary create Urban/Rural Set- Aside percentages out of total available funds (Policy decision)
  - Rural projects will be assessed with other rural projects
  - Urban projects will be assessed with other urban projects
4. Based on accepted urbanized (census or Adjusted) area boundary create Urban/Rural Set- Aside percentages out of total available funds (Policy decision)

- Rural projects will be assessed with other rural projects
- Urban projects will be assessed with other urban projects
- Within urbanized area create geographic equity planning factors criteria and provide higher points to areas outside of Beltway and within urbanized area (suburban)

Additionally, staff analyzed the outcomes of the 2018 call for projects effort and the 2020 Census to determine the percentage of funding for rural and urban projects selected by the TPC; that outcome potentially reflects the TPC's goals from that selection process. Staff will also summarize the discussion about this topic from the January 12, 2022 TIP Subcommittee meeting.

**Staff recommendation**

- Create a rural funding allocation that uses the established adjusted urbanized area boundary.
- Allocate 9% of total available funds as a floor for projects located in rural area (ie., areas outside the adjusted urbanized area).
- Implement relative scoring of projects in rural areas.
- Establish a minimum threshold of points that projects in rural areas will need to meet for eligibility to receive funding. (Threshold level will be determined when final scoring criteria are adopted.)
- Provide an opportunity to all local agencies (all eligible agencies with the TMA) to assign additional points to one more high priority projects. This is intended to ensure projects are distributed across the region by giving agencies ability to identify their highest priority projects and including that in the scoring system. (The total number and distribution of additional points will be determined when final scoring criteria are adopted.)

**Action Requested**

Recommendation for Transportation Policy Council's approval of the above recommendation on rural funding allocation.