

7. PROJECT SELECTION PROCESS UPDATE

BACKGROUND

At the March 2020 Transportation Policy Council (TPC) meeting the Council approved goals, priorities, and policies for selection and prioritization of projects to be programmed in Transportation Improvement Program (TIP), 10-Year Plan, and the Regional Transportation Plan (RTP). These goals, priorities and policies guide the H-GAC staff, Transportation Advisory Committee (TAC) and the TIP Subcommittee in development of project selection criteria and evaluation methodologies for project planning and programming.

CURRENT SITUATION

Members of the TPC Goals, Priorities and Policies workgroup and the TIP Subcommittee convened for a joint workshop #2 on January 6, 2023. The purpose of this workshop was to discuss the staff recommendations to address the December 2022 TAC & TPC comments.

Key staff recommendations discussed at the workshop are described below:

- **Funding instructions:** Staff proposes to recommend funding instructions after completing the opportunity for potential sponsors to revise statements of project interests. Staff recommendation will be based on revised Statement of Project interests.
- **Added capacity projects eligibility** for Operational Improvements & Congestion Management investment category: Staff proposes to modify the definition of Operational Improvements & Congestion Management investment category to remove reference to “non-added capacity projects.
- **Investment Category for added capacity projects:** Staff proposes to clarify that with modified definition of Operational Improvements & Congestion Management investment category, up to ~ 75% of the available funds (in four investment categories) could potentially be programmed for added capacity projects.
- **Glossary and Definitions** for Key Terms and Concepts: Staff proposes to develop a glossary for participants in the Project Selection Process that defines key terms and concepts that will be used in the Project Selection Process. Development of that glossary is underway and will be updated based on questions and feedback as the Process moves forward.
 - Staff will also screen documents and the Process to improve clarity and understanding. For example, consider using “maintenance” rather than “rehabilitation” or “restoration.”
- **Definition of High Growth Area Needs:** Staff proposes to define High Growth areas as follows:
 - High Growth areas are not limited to a specific geographic area based on thresholds for specific criteria.
 - Any roadway/freight, active transportation or transit project that addresses the needs of

-
- High demographic growth (*rate or absolute values*)
 - High economic development (*rate or absolute values*)
 - High traffic demand growth (*rate or absolute values*)
 - Project sponsors will be able to define the high growth need they want to address with a proposed project being submitted in this category
 - Projects/jurisdictions using already-defined growth areas will receive additional consideration
 - **Major Projects Threshold:** Staff proposes to modify the project cost threshold from \$50 M to \$100 M.
 - Proposed funding instruction should also be changed (~\$250M, but will be finalized after receiving updated Statements of Project Interest)
 - Clarify that additional major projects can be selected for development, but construction funding for 10+ year timelines will be evaluated in future
 - **Planning Factor name:** Staff proposes to change the name of the “Environmental Justice” planning factor to “Impacts on Vulnerable Populations” and ensure that points will be assessed for avoiding and mitigating potential impacts on vulnerable populations. Staff noted that:
 - Impacts on vulnerable populations must be considered when selecting projects; region will risk federal funding eligibility without considering these impacts
 - Equity considerations are required for every environmental analysis and embedded in every USDOT discretionary grant program
 - Environmental Justice (EJ) as defined by the Federal Highway Administration (FHWA) means identifying and addressing disproportionately high and adverse effects of the agency's programs, policies, and activities on minority populations and low-income populations to achieve an equitable distribution of benefits and burdens. *This definition will be added to the glossary document.*

ACTION REQUESTED

Staff is seeking TAC’s recommendation for Transportation Policy Council approval of the following key Project Selection Elements:

1. Approve Key Project Selection Process Elements:
 - a. Overall Investment Level
 - b. Eight Investment Categories
 - c. Classifications for Project Selection and/or Funding
 - d. Initial Investment Categories
 - e. Step-by-Step Selection Process
 - f. Initial Steps and Implementation Timeline

2. Authorize MPO to initiate process