



COLORADO

Department of Transportation

Multimodal Transportation & Mitigation Options Fund (MMOF): SB 21-260 Changes & Opportunities

September 10, 2021



TOPICS

- MMOF Program Changes in SB260
- Opportunities for Program Improvements:
 - Funding Distribution Formula
 - Match Requirements & Reductions
 - Efficiency of utilizing funds
- Funding Appropriations
- Project Eligibility & Project Selection
- Reporting Requirements



MMOF Program Changes

New Name:

***Multimodal Transportation and
Mitigation Options Fund***

Same Acronym:

MMOF



SB260: Expanded MMOF Program Goals

- An integrated system that:
 - Benefits seniors by making aging in place more feasible
 - Benefits residents of rural **and Disproportionately Impacted (DI) Communities** by providing them with **more accessible and flexible public transportation services**
 - Provides enhanced mobility for persons with disabilities
 - Provides safe routes to school for children, AND
 - **Reduces emissions of air pollutants and Greenhouse Gases that contribute to adverse environmental effects, including but not limited to Climate Change and adverse Human Health Effects.**



Disproportionately Impacted (DI) Community

Definition:

A *Census Block Group* where the *proportion* of Households is:

- >40% Low Income,
- >40% Minority, ...or...
- >40% Housing Cost-burdened

Low-Income...means Household Income \leq 200% Poverty Level

Cost-burdened...means a household spends >30% of Household Income on housing



Funding Distribution

Program Improvement Opportunity: Modify Distribution Formula Criteria to align with SB260 program changes

- Formula based on population, transit ridership **and other criteria**
 - Current formula uses 10 criteria; splits 19% rural / 81% urban
- Formula must be developed in consultation with STAC, TRAC, transit and bike/ped groups
- MMOF Work Group included: STAC, TRAC, CASTA, Bicycle Colorado, Walk Denver, CO Commission on Aging, SRTS committee member, Colorado Advisory Council for People with Disabilities



Distribution Formula Criteria

	Current CRITERIA (2016)	Proposed CRITERIA (2019)
Population	% Population	same
	% Disabled, Senior and/or Low-income	% Low-income Households
	% of income required for housing & trans	% Minority Households % Housing Cost-Burdened
	% School-Aged Children (5-18)	same
Transit Ridership	% Transit Revenue Miles	same
	% Transit Unlinked Trips	same
Other	% of Bike Crashes	same
	% of Pedestrian Crashes	same
	% of Jobs	same
	% Zero Vehicle Households	same



MMOF Funding Appropriations - SB260

1. **\$161.34 million - Federal ARPA stimulus**
 - \$14.5 million to Front Range Passenger Rail / SW Chief
 - =\$146.84 million currently available** for project selection
 - \$22M State (15%) / \$118M Local + \$6M Admin (85%)
 - Need to consider Local (and CDOT) capacity to distribute and use funding given demands of RMS
2. **\$108.1 million total State Funds - over 5 years between FY2023-27, depending on annual State Revenue Caps**
3. **\$10.5 million annual State Funds - for 8 years, FY2025-32**



MMOF Annual Funding Projections

	Projected Revenue	State	Local
FY2022	\$ 146,840,000	\$22,026,000	\$124,814,000
FY2023	\$ 27,025,000	\$ 4,053,750	\$ 18,377,000
FY2024	\$ 27,025,000	\$ 4,053,750	\$ 18,377,000
FY2025	\$ 37,525,000	\$ 5,628,750	\$ 27,302,000
FY2026	\$ 37,525,000	\$ 5,628,750	\$ 27,302,000
FY2027	\$ 10,500,000	\$ 1,575,000	\$ 27,302,000
FY2028	\$ 10,500,000	\$ 1,575,000	\$ 8,925,000
FY2029	\$ 10,500,000	\$ 1,575,000	\$ 8,925,000
FY2030	\$ 10,500,000	\$ 1,575,000	\$ 8,925,000
FY2031	\$ 10,500,000	\$ 1,575,000	\$ 8,925,000
FY2032	\$ 10,500,000	\$ 1,575,000	\$ 8,925,000
TOTAL	\$ 338,940,000	\$50,841,000	\$273,694,050



Current Match Reduction Policy

Issues / Considerations / Opportunities:

- Current Match Reduction policy based on *Population* and *Poverty Rate* is a poor representation of fiscal hardship for some agencies, leaving them ineligible for reductions
- Varied match rates created an extraordinary administrative burden and complexity for contracting, invoicing and reporting.
- All Reductions require formal request and formal TC Resolution
- **SB260 changes** now permits the TC, if recommended by CDOT staff, to reduce match on individual projects (this cannot be considered under TC's current policy)



Proposed Match Reduction POLICY

Recommendations:

- Tiered rates (0%, 10%, 20%, 30%, 40%, 50%)
- Provide agencies automatic eligibility for reduced match rates - no applications, no TC resolutions required
- New in SB260: TC may approve individual reductions, if recommended by CDOT staff
- Consider/modify the original MMOF Work Group recommended formula
- Consider Alternative indicators of fiscal hardship



Proposed Match CRITERIA

- Use *proven* indicators* that:
 - Demonstrate Local Agency's ability to generate revenues
 - Median Household Income & Median Home Value
 - Demonstrate Local Agency's degree of burden on its resources
 - Percent Poverty & Percent over 65
 - Are available at both County and Municipal levels
 - Are continually maintained, updated and reliable

*Factors recommended & used by DOLA, State Demographer



Proposed Match REDUCTIONS

City & County %tile Rank	Minimum Match Rate
1 st – 50 th	50%
50 th – 75 th	40% 30% 20% 10%
75 th – 100 th	0%



SB260: Expanded Eligible Project Types

- Fixed-route and On-demand transit (fixed or operating costs),
- Transportation Demand Management programs,
- MM Mobility projects enabled by new technology,
- MM Transportation studies,
- **Modeling Tools,**
- **GHG mitigation projects that decrease VMT or increase MM travel, AND**
- Bicycle or pedestrian projects



Local MPO/TPR Project Selection

Issues / Considerations / Opportunities:

- ARPA funds, must be:
 - *Obligated* by Dec. 31, 2024
 - *Expended* by Dec. 31, 2026
- Federal Funds “Federalize” projects
- Some projects have experienced significant cost-overruns, unanticipated delays and missed cost-saving opportunities
- “Application fatigue” from local governments
 - TAP Application period also begins this fall.



Local MPO/TPR Project Selection

Recommendations:

- Develop and Finalize Distribution & Match Formulas PRONTO!
- “Shovel-Ready” is a high priority criteria
- CDOT would like the opportunity to review and advise MPOs/TPRs on proposed projects with respect to costs, delivery timelines, feasibility, and to identify opportunities to combine or coordinate with other CDOT projects - ***without slowing MPO/TPR project selections***
- Discuss Local MMOF project selections in October



SB260: New Reporting Requirements

- Continued Annual CDOT Expenditures Report to the Legislature
 - Currently unable to obtain/track total project expenditures
- **NEW annual MPO/TPR Project Status Report required**
 - To include: Status, Issues, Funding, Expenditures, Timelines, etc.

Recommendation:

- CDOT proposes developing a report form for MPOs/TPRs to distribute & compile
 - First Report proposed this fall (Oct-Nov)
 - Subsequent Reports each fiscal year, due in July/Aug



Next Steps / Timeline

September	October	November
<p>Convene MMOF Work Group</p> <p>Develop Distribution & Match Formulas</p>	<p>Review Formula Recommendations (STAC, TC)</p> <p>Distribute Project Status Report</p> <p>Discuss & Begin Project Selection</p>	<p>STAC & TRAC final recommendations</p> <p>TC Adoption of Formulas & Match Policy</p> <p>Project Status Report to CDOT</p>

NOTE: CDOT to develop recommendations for state MMOF funding; 10-yr plan options; and MPO needs for modeling help to comply with GHG rule



Questions & Discussion

- For questions or comments, please contact:
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