



# COLORADO

## Department of Transportation

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**DATE:** June 19, 2019  
**TO:** Transportation Commission  
**FROM:** Sophie Shulman, Chief - Office of Innovative Mobility (OIM)  
David Krutsinger, Director - Division of Transit & Rail (DTR)  
Rebecca White, Director - Division of Transportation Development (DTD)  
**RE:** SB 18-001 Multimodal Options Fund Update

### Purpose

The purpose of this memo is to review the recommendation prior to a proposed consent agenda vote.

### Action

Consent agenda vote on Thursday, June 20, 2019

### Background

SB 18-001 includes a provision that establishes a Multimodal Options Fund. The Multimodal Options Fund has \$96.75M in dedicated revenue. Of that \$96.75M, \$2.5M is dedicated to the Rail Commission. The remaining \$94.25M is split between CDOT (15% or \$14.13M) and local governments (85% or \$80.12M).

The legislation directs the TC to establish a distribution formula for the local portion. The distribution formula must be based on population and ridership. The legislation also states that recipients shall provide a match equal to the amount of the award. However, the Transportation Commission, per legislation, may create a formula for reducing or exempting the match requirement for local governments or agencies due to their size or any other special circumstance. An advisory committee ("MMOF Committee") to the TC was formed to work on and develop such recommendations. CDOT will use its share of the funds and seek to incentivize partnership projects such as mobility hubs.

The legislation mandates the distribution formula for the local portion be developed in consultation with the Transit and Rail Advisory Committee (TRAC), the Statewide Transportation Advisory Committee (STAC), transit advocacy organizations, and bicycle and pedestrian organizations. In addition to these groups, the legislation also states that the Multimodal Options Fund should promote a complete and integrated multimodal system that benefits seniors by making aging in place more feasible; benefits residents of rural areas by providing them with flexible public transportation services; provides enhanced mobility for persons with disabilities; and provides safe routes to school for children.

The MMOF Committee held three meetings and developed the following general recommendations.

- 5% off the top (or \$4 Million of \$80.12) for administration, reporting, environmental/design reviews. To be adjusted later based on actual project selection.
- 81% of remaining \$76.12 to the five urban areas (MPOs), 19% to the ten rural planning regions (TPRs).
- Two sub-allocation formulas, one urban, and the other rural, to each of the fifteen areas of the state, with particular population and employment factors relevant to urban and rural areas.
- Match "relief" or reduction to be decided at the fifteen regions (TPRs) of the state. CDOT provided data to support that decision-making.
- General expectation that minimum transit project size of \$25,000, and minimum capital project size of \$150,000 would be observed for project selections, with reasonable bundling of smaller projects encouraged to reach these minimums.



Table 3: Recommended Allocation by Transportation Planning Region

TPR Name	Pop 2016	Jobs	Disadv Pop	Zero vehicles	Revenue Miles	Unlinked Trips	Bike Crash	Pedestrian Crash	School Aged Children	Household Affordability "Population-Burden" (pop adjusted by relative % housing & trans costs)	Alloc%	Allocation\$
Urban	Pikes Peak Area	12.3%	10.0%	11.8%	4.4%	2.6%	7.4%	7.5%	13.5%	12.2%	9.5%	\$6,865,226
	Denver Area	57.7%	64.3%	52.9%	69.6%	80.5%	65.6%	75.1%	56.8%	54.4%	62.4%	\$45,292,984
	North Front Range	8.9%	8.0%	9.2%	4.7%	3.9%	12.9%	5.0%	9.4%	8.8%	7.7%	\$5,591,491
	Pueblo Area	3.0%	2.3%	4.4%	1.2%	0.7%	2.6%	3.1%	3.0%	3.6%	2.9%	\$2,128,884
	Grand Valley	2.7%	2.6%	3.6%	1.1%	0.6%	3.3%	2.0%	2.8%	3.1%	2.4%	\$1,773,755
	Eastern	1.5%	1.0%	1.7%	0.1%	0.0%	0.0%	0.2%	0.4%	1.4%	1.9%	1.1%
Rural	Southeast	0.8%	0.6%	1.3%	0.1%	0.0%	0.1%	0.2%	0.8%	1.1%	0.7%	\$664,017
	San Luis Valley	1.2%	0.9%	1.9%	0.1%	0.0%	0.5%	0.4%	1.2%	1.6%	1.0%	\$961,989
	Gunnison Valley	1.8%	1.4%	2.6%	1.9%	2.7%	1.0%	1.0%	0.7%	2.3%	2.5%	\$2,355,869
	Southwest	1.8%	1.6%	2.1%	0.9%	0.4%	0.2%	0.4%	0.9%	2.1%	1.3%	\$1,247,368
	Intermountain	3.1%	3.5%	2.5%	1.7%	6.4%	2.7%	2.6%	3.5%	3.3%	3.9%	\$3,751,566
	Northwest	1.1%	1.1%	1.0%	0.8%	1.3%	0.7%	0.5%	1.1%	1.2%	1.0%	\$993,003
	Upper Front Range	1.9%	1.4%	2.1%	1.4%	0.1%	1.9%	1.0%	2.1%	2.0%	1.6%	\$1,492,904
	Central Front Range	1.8%	1.0%	2.3%	1.3%	0.8%	0.7%	0.8%	1.5%	2.1%	1.7%	\$1,617,326
	South Central	0.4%	0.3%	0.6%	0.7%	0.0%	0.1%	0.2%	0.3%	0.5%	0.4%	\$345,780
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Urban Formula wt	20.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	100.0%	
Rural Formula wt	20.0%	15.0%	15.0%	10.0%	15.0%	10.0%	5.0%	5.0%	10.0%	10.0%		
										CDOT Region 1	53.0%	\$ 40,347,649
										CDOT Region 2	15.3%	\$ 11,621,234
										CDOT Region 3	10.9%	\$ 8,285,226
										CDOT Region 4	17.2%	\$ 13,061,567
										CDOT Region 5	3.7%	\$ 2,798,324
										Administrative	N/A	\$ 4,006,000

### ***SubAllocations***

The urban areas (MPOs) wanted funds allocated with 20% based on population, and 10% each based on all the other factors listed in Table 3, but not inclusive of the “affordability” data. The rural areas did not see jobs as being as relevant a factor, but did include “affordability” as a factor due to the high cost of housing in resort counties. Bicycle and pedestrian crash data were de-emphasized, compared to the urban formula, because there is less total data, and of the total, less reliable data in rural areas. The previously mentioned Table 3 shows the conclusions for each TPR, and the MMOF Committee agreed to these amounts.

### ***Match Relief***

Most of the available data to analyze need, poverty vs. wealth, ability to pay, disadvantaged, and similar factors are available at the County level. See Table 4. While there are some truly poor & deserving Counties, the Committee for the Multimodal Option Fund discussion felt that many of the “need” and “ability to pay” distinctions might occur at the city/town level, and would be less likely compelling at the County Level. Further some of the “deserving counties” are clustered in single TPRs, which meant at the TPR level “need” and “ability to pay” could be rendered useless for making decisions within TPRs. Some “wealthy” counties would, similarly, be skewed by towns that are wealthy within them, while many other parts of such counties, if taken alone, might easily be as “deserving” as nearby counties. Fixing the inconsistencies and vagaries of the data could easily take many more months to resolve, which would, in turn, delay the distribution of the funds. Finally some TPRs/MPOs have already done a call for projects, anticipating these MMOF funds, so formulating the match relief decision appeared to be moot and irrelevant for about 50 percent of the dollars. Given all of these reasons, the MMOF Committee recommended that match relief be delegated to the TPR decision makers themselves. The legal opinion from the Colorado Attorney General’s office, however, was that the CDOT Transportation Commission may not delegate such a decision. The formula is therefore:

#### Eligibility

- Counties of 50,000 or smaller population (as of 2015), and poverty rate of 12% (median) or higher; or
- Cities/Towns of 20,000 or smaller population (as of 2015), and poverty rate of 12% (median) or higher; or
- A County or City/Town which meets the population threshold of either of the above, but not the poverty threshold, but can document other extraordinary circumstances (some other indicator of high need or highly disadvantaged population)

#### Decision Approved by Transportation Commission

Transportation Planning Region decisions which intend to award such match relief must also have the match relief decisions for those projects approved by the CDOT Transportation Commission.

### ***Minimum Project Size***

The discussion on project size revolved around the ease of administration and reporting for the funding. CDOT is responsible for reporting on how the funding is spent, in all cases. By simple math, if many small projects of \$10,000 were awarded, the number of projects could be overwhelming (\$81 Million x 100 projects per Million\$ = 8,100 projects). Limiting the funds to only large projects of half a million or more (\$0.5 M → 162 projects), especially with match requirements, ran the risk of biasing the distribution of funds toward wealthier cities, counties, or transit agencies, and disadvantaging smaller ones. Members of the Committee argued that while there are expensive bicycle, pedestrian, and transit projects, a \$0.5 Million minimum size would have obstructed the implementation of many worthy projects of smaller size: buying a single transit van (\$40,000 - 80,000 each), repairing pedestrian/wheelchair ramps (\$6,000 each), striping bicycle lanes (\$5,000 to \$10,000 per mile), and so forth. The compromise position was to set the minimums at \$25,000 for transit (existing and accepted CDOT standard for transit pass-through funding) and \$150,000 for infrastructure projects, with bundled projects strongly encouraged. Thus maybe 15 miles of bike lanes in a county or region is bundled as a single \$150,000 contract. This compromise position was helped by the administrative set-aside above. If there are a high number of projects or the projects require lots of environmental clearance work, the administrative percentage could go up. If the projects are bundled, ready-to-go, and don’t require as much environmental work, then less administrative set-aside might be required.

Table 4: Economic Need/Risk Factors and Match "Relief" Data

County	INDICATORS								Total Percentile Rank	Graduated Match
	Population Change (1990-2017) SDO	Pop. change Labor Force Age (2010-17) SDO	Single Large Employer (in 2017) QCEW	Local Government Emp Share (in 2017) QCEW	Agriculture % of total emp (in 2017) SDO	Employment Growth (2002-17) SDO	%Bachelors+ ACS13-17	%Poverty + %65+ ACS13-17 and SDOV17		
<b>MIN</b>	<b>-1.0%</b>	<b>-4.6%</b>	<b>1.8%</b>	<b>3.7%</b>	<b>0.0%</b>	<b>-23.8%</b>	<b>9.5%</b>	<b>15.0%</b>	<b>0%</b>	
1st Quartile	0.2%	-1.1%	5.2%	12.0%	1.1%	0.5%	20.0%	25.5%	25%	0%
2nd Quartile	1.2%	0.3%	7.5%	17.4%	5.8%	10.9%	26.5%	31.1%	50%	10%-40%
3rd Quartile	2.3%	1.4%	11.6%	25.0%	15.8%	19.2%	41.2%	38.4%	75%	50%
<b>MAX</b>	<b>6.5%</b>	<b>4.9%</b>	<b>29.0%</b>	<b>57.6%</b>	<b>47.2%</b>	<b>81.2%</b>	<b>60.4%</b>	<b>57.0%</b>	<b>100%</b>	<b>50%</b>
Adams County	2.4%	1.6%	4.0%	9.1%	0.8%	46.8%	22.4%	22.3%	90.4%	50.0%
Alamosa County	0.7%	0.8%	7.1%	12.3%	7.8%	9.6%	25.8%	41.3%	46.0%	40.0%
Arapahoe County	1.8%	1.5%	2.4%	8.7%	0.2%	22.5%	40.7%	22.6%	98.4%	50.0%
Archuleta County	3.4%	1.4%	5.8%	17.9%	5.4%	21.9%	34.9%	36.9%	69.8%	50.0%
Baca County	-0.9%	1.9%	18.1%	57.6%	35.1%	-6.8%	21.8%	44.6%	3.1%	0.0%
Bent County	-0.6%	-1.6%	21.8%	38.5%	17.6%	-23.8%	9.5%	42.2%	0.0%	0.0%
Boulder County	1.3%	0.3%	5.4%	9.1%	0.5%	18.4%	59.3%	26.7%	82.5%	50.0%
Broomfield County	2.8%	3.3%	5.8%	3.7%	0.1%	53.7%	52.5%	18.4%	100.0%	50.0%
Chaffee County	1.7%	1.1%	5.7%	18.4%	2.5%	25.8%	34.4%	34.2%	68.2%	50.0%
Cheyenne County	-1.0%	1.4%	8.4%	39.7%	31.8%	-0.5%	23.3%	31.6%	25.3%	0.0%
Clear Creek County	0.8%	-1.4%	11.1%	17.3%	0.3%	0.6%	44.6%	26.0%	52.3%	50.0%
Conejos County	0.3%	0.5%	12.8%	34.2%	21.1%	3.8%	18.3%	40.1%	14.2%	0.0%
Costilla County	0.6%	4.9%	20.7%	37.5%	25.3%	24.2%	20.0%	57.0%	31.7%	10.0%
Crowley County	0.0%	-2.0%	28.0%	16.2%	20.4%	0.6%	10.2%	38.1%	4.7%	0.0%
Custer County	3.3%	1.7%	9.8%	19.8%	10.3%	0.3%	29.4%	46.6%	44.4%	30.0%
Delta County	1.4%	-1.4%	9.3%	24.4%	10.0%	10.1%	19.6%	41.6%	28.5%	0.0%
Denver County	1.5%	2.3%	2.6%	7.9%	0.2%	19.5%	45.7%	26.8%	96.8%	50.0%
Dolores County	1.2%	-0.9%	16.8%	39.2%	21.8%	8.3%	20.3%	39.3%	12.6%	0.0%
Douglas County	6.5%	0.0%	6.4%	10.6%	0.8%	81.2%	57.5%	15.0%	93.6%	50.0%
Eagle County	3.4%	0.8%	7.7%	9.3%	0.7%	22.1%	45.0%	18.5%	85.7%	50.0%
Elbert County	3.6%	1.1%	10.1%	25.0%	13.3%	12.9%	32.8%	20.6%	63.4%	50.0%
El Paso County	2.2%	1.2%	1.8%	10.0%	0.4%	20.1%	36.6%	23.5%	92.0%	50.0%
Fremont County	1.2%	-3.4%	15.1%	12.9%	3.0%	1.5%	16.4%	36.9%	33.3%	10.0%
Garfield County	2.6%	-0.8%	4.3%	17.0%	2.0%	30.1%	29.1%	21.8%	79.3%	50.0%
Gilpin County	2.5%	-1.1%	20.2%	8.6%	0.6%	-11.2%	34.4%	21.4%	58.7%	50.0%
Grand County	2.4%	0.0%	11.2%	15.3%	3.0%	11.7%	37.2%	29.9%	57.1%	50.0%
Gunnison County	2.0%	1.5%	6.3%	15.3%	2.5%	15.9%	52.6%	26.8%	77.7%	50.0%
Hinsdale County	1.7%	1.0%	13.5%	29.2%	5.5%	-3.7%	40.9%	40.8%	38.0%	20.0%
Huerfano County	0.3%	-1.6%	22.3%	23.2%	13.0%	-13.5%	26.0%	45.8%	6.3%	0.0%
Jackson County	-0.5%	-1.5%	9.4%	19.4%	24.1%	0.7%	19.1%	35.5%	9.5%	0.0%
Jefferson County	1.0%	1.6%	4.9%	9.5%	0.3%	14.5%	42.2%	23.9%	84.1%	50.0%
Kiowa County	-0.7%	1.3%	18.4%	46.2%	47.2%	12.1%	20.2%	34.4%	11.1%	0.0%
Kit Carson County	0.0%	-1.9%	5.1%	24.5%	23.1%	-3.6%	13.8%	30.5%	19.0%	0.0%
Lake County	0.9%	2.7%	16.0%	25.0%	0.4%	19.7%	30.9%	26.6%	61.9%	50.0%
La Plata County	2.1%	0.1%	3.3%	15.2%	2.7%	22.6%	43.0%	26.1%	80.9%	50.0%
Larimer County	2.3%	1.9%	5.1%	9.2%	1.0%	30.7%	45.3%	27.6%	87.3%	50.0%
Las Animas County	0.0%	-2.0%	5.2%	20.1%	8.4%	-8.1%	18.9%	40.8%	17.4%	0.0%
Lincoln County	0.0%	1.0%	14.6%	27.1%	14.5%	1.1%	13.7%	32.1%	22.2%	0.0%
Logan County	0.3%	2.0%	9.6%	13.7%	9.7%	-6.3%	16.7%	33.7%	36.5%	20.0%
Mesa County	1.8%	-0.7%	5.0%	9.6%	2.9%	18.9%	26.1%	34.3%	66.6%	50.0%
Mineral County	1.1%	3.9%	29.0%	16.9%	3.6%	19.0%	42.5%	44.6%	53.9%	50.0%
Moffat County	0.5%	-1.4%	7.3%	15.5%	7.5%	0.2%	18.9%	25.1%	39.6%	20.0%
Montezuma County	1.2%	0.2%	4.8%	24.3%	6.5%	6.2%	27.0%	38.1%	49.2%	40.0%
Montrose County	2.0%	-1.0%	5.9%	17.6%	6.0%	13.9%	23.8%	40.2%	47.6%	40.0%
Morgan County	0.9%	-0.2%	16.8%	14.5%	9.8%	9.6%	16.1%	24.8%	41.2%	30.0%
Otero County	-0.4%	-0.1%	5.4%	19.1%	8.5%	-10.9%	17.1%	42.8%	23.8%	0.0%
Ouray County	2.7%	-3.1%	4.9%	19.2%	6.8%	33.9%	54.5%	37.2%	65.0%	50.0%
Park County	3.4%	0.4%	9.2%	28.0%	3.5%	13.8%	30.5%	26.0%	60.3%	50.0%
Phillips County	0.1%	-1.9%	9.2%	34.1%	26.9%	6.0%	20.4%	30.5%	15.8%	0.0%
Pitkin County	1.3%	-1.6%	4.4%	13.6%	0.7%	6.6%	60.4%	25.6%	73.0%	50.0%
Prowers County	-0.4%	0.0%	5.4%	22.8%	15.3%	-16.7%	15.4%	35.5%	20.6%	0.0%
Pueblo County	1.1%	-0.1%	4.7%	10.9%	1.5%	12.1%	21.2%	37.9%	55.5%	50.0%
Rio Blanco County	0.2%	-4.6%	5.7%	33.9%	12.6%	0.9%	21.8%	26.9%	30.1%	10.0%
Rio Grande County	0.2%	-1.5%	6.1%	15.6%	23.1%	-5.2%	22.6%	37.8%	26.9%	0.0%
Routt County	2.1%	1.3%	7.7%	10.3%	3.6%	13.0%	49.4%	25.3%	76.1%	50.0%
Saguache County	1.4%	2.3%	8.8%	29.4%	32.0%	0.6%	25.5%	42.9%	34.9%	10.0%
San Juan County	-0.1%	-0.2%	8.0%	19.1%	0.0%	11.8%	28.4%	27.9%	50.7%	50.0%
San Miguel County	2.9%	-1.1%	10.7%	14.3%	1.5%	16.5%	55.1%	24.1%	74.6%	50.0%
Sedgwick County	-0.6%	-0.6%	15.3%	40.0%	32.0%	-3.3%	19.8%	43.2%	1.5%	0.0%
Summit County	3.2%	4.3%	6.0%	10.5%	0.3%	17.4%	49.9%	23.3%	95.2%	50.0%
Teller County	2.5%	0.5%	5.5%	15.4%	1.2%	12.2%	32.6%	28.3%	71.4%	50.0%
Washington County	0.0%	0.2%	10.7%	36.1%	34.0%	-9.4%	16.0%	30.0%	7.9%	0.0%
Weld County	3.2%	3.0%	3.2%	11.3%	4.7%	46.3%	26.8%	23.1%	88.8%	50.0%
Yuma County	0.4%	0.6%	4.7%	23.4%	32.1%	7.9%	21.4%	33.2%	42.8%	30.0%

### Policy Options

1. Accept the recommendations of the MMOF Committee and approve the distribution process. This is the staff recommendation, and is also supported by a review of the STAC and TRAC.
2. Largely accept the recommendations of the MMOF Committee, with minor supporting and/or clarifying language. This runs the risk of overriding some of the work done by the MMOF Committee.
3. Refer questions back to the MMOF Committee and delay the approval of the funding. This would not run the risk of overriding the work done by the MMOF Committee, but would delay the distribution of the funds by at least several months. Not recommended.

### Next Steps

- TC Meeting vote on Consent Agenda, or if Policy Option #2, with additional discussion.
- If approved, CDOT would begin the contracting process to get the funds flowing for selected projects.
- If approved, for areas where the call-for-projects has not been completed, CDOT Engineering Region Staff, and/or other CDOT staff, would facilitate the call-for-project process.