



MEMORANDUM

TO: STATEWIDE TRANSPORTATION ADVISORY COMMITTEE (STAC)  
TRANSIT & RAIL ADVISORY COUNCIL (TRAC)

FROM: REBECCA WHITE, DIRECTOR, DIVISION OF TRANSPORTATION DEVELOPMENT  
MICHAEL SNOW, TRANSPORTATION PLANNING SPECIALIST

DATE: SEPTEMBER 10, 2021

SUBJECT: MULTIMODAL TRANSPORTATION & MITIGATION OPTIONS FUND, PROGRAM CONSIDERATIONS

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**Purpose**

To review and consider the changes and funding to the Multimodal Transportation & Mitigation Options Fund (MMOF) included in Colorado Senate Bill 2021-260 (SB260).

**Action**

Formal action is not required at this time. STAC and TRAC are requested to consider CDOT staff's recommendations to revisit the MMOF Distribution Formula and the TC's MMOF Match Reduction Policy considering the programmatic changes in SB260, current & future funding available, and the lessons-learned in the current program and projects.

**Background**

The Multimodal Options Fund, originally created in 2018, sought to expand and improve the quality and accessibility of alternative modal transportation choices throughout all regions of the state, with a particular intent of addressing the lack of these choices in rural Colorado. Funding in the program, limited initially in one-time appropriations of State money, was made eligible for transit, transportation demand management, multimodal technologies or studies, and bicycle/pedestrian projects.

Within its broad transportation measures, SB260 made several changes to the MMOF program, including fundamental changes that expand its overall purpose and provide long-term funding for related projects. In addition to changing the name to the *Multimodal Transportation & Mitigation Options Fund*, it expanded the program to be eligible for projects that mitigate transportation emissions of Greenhouse Gases (GHG) throughout the state. It also adds a specific focus in the goals of the program to expand the choices and accessibility to alternative transportation modes for Colorado's Disproportionately Impacted Communities. These are defined in the Bill as communities with higher concentrations of low-income, minority or housing cost-burdened individuals.

The original one-time appropriation of approximately \$80 million in FY2019-20 were quickly awarded throughout the Transportation Planning Regions (TPRs) of the state and continue to be implemented in over 100 eligible local projects. With the implementation of the new program in 2019 came many successes, but also some hard lessons and some unexpected administrative challenges.

SB260 makes \$124 million of federal stimulus funds immediately available for local projects and a potential total of \$288 million for local projects over the next ten years. Considering the increased focus on multimodal investments with steady program funding, and the programmatic changes to MMOF from SB260, CDOT is recommending we take advantage of this time to consider modifications to the adopted Funding Distribution Formula for the program to align more closely with the expanded goals defined in the program. This time also presents opportunities to consider the lessons-learned by both



sponsors of local MMOF projects and by CDOT in administering the program to find ways to streamline the use of its funds, simplify administrative challenges and address the shortfalls in the existing MMOF Match Reduction Policy.

**Recommendations**

CDOT Staff recommends reconvening the 2019 MMOF Work Group in September to develop and recommend updates to the MMOF Distribution Policy and the MMOF Match Reduction Policy.

**Next Steps**

To quickly facilitate the distribution of funds to MPOs/TPRs so that their project selection processes can begin promptly, draft distribution and match formulas will be presented to STAC in October. STAC and TRAC will then have opportunity for final review of the recommended formulas in November before final adoption by the Transportation Commission on November 18.

