

# Council Study Session

February 4, 2019

<b>Agenda Item</b>	Rogue Valley Metropolitan Planning Organization (RVMPO) Intergovernmental Agreement	
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<b>Item Type</b>	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Presentation <input type="checkbox"/>	

## **SUMMARY**

The purpose of this agenda item is to provide information to Councilor Rosenthal on an upcoming vote at the Rogue Valley Metropolitan Planning Organization (RVMPO) on February 26, 2019. Councilor Rosenthal is the liaison at the RVMPO. The RVMPO is proposing to enter into an intergovernmental agreement with the Rogue Valley Transit District (RVTD) to define RVTD’s annual allocation of State Transportation Block Grant funds.

## **BACKGROUND AND ADDITIONAL INFORMATION**

During the development of the 2000 RVMPO Regional Transportation Plan, analysis showed that the plan failed to meet the state required Vehicle Miles Travel (VMT) reduction goal. In response, the RVMPO developed seven Alternative Measures to bring the Regional Transportation Plan into compliance with the Transportation Planning Rule (required by the State) and its associated VMT reduction goal. Alternative Measure #7 directed 50% of all Surface Transportation Program (STP) funds received by the RVMPO to “alternative transportation funding” with the funds initially dedicated to the Rogue Valley Transportation District (RVTD).

When the alternative measures were being developed, RVTD was facing a very uncertain funding future and service cuts and route reductions were likely. To avoid these reductions, and to help meet VMT reduction goals, the RVMPO agreed to allocate 50% of all STP funds to RVTD to comply with Alternative Measure #7. However, Alternative Measure #7 clearly notes that its purpose is to fund “Alternative Transportation Projects” and is not limited to being dedicated to RVTD only. The actual measure language reads:

“Funding committed to transit OR bicycle/pedestrian/TOD projects. Amounts shown represent ½ of the MPO’s estimated accumulation of discretionary funding (STP).” (*emphasis added*)

The measure can be satisfied by utilizing 50% of STP funding to fund either transit or bicycle/pedestrian/Transit Oriented Development (TOD) projects. The narrative in the Alternative Measure #7 further clarifies the RVMPO’s intent of the 50% STP funds by stating:

“Without the additional operating revenue provided through this measure (or through some other source), current revenue projections show that RVTD will be required to cut service and eliminate routes in the MPO.

RVTD will be pursuing a local funding package in the near future to finance the Tier 2 transit plan. If voters approve this package, RVTD will not require STP funding in order to cover funding shortfalls. It is therefore proposed that, should RVTD’s new fund source become a reality, the STP transit allocation proposed in the measure instead be directed to RTP bicycle/pedestrian projects and projects that facilitate the development of TOD sites.” (underlined added)

*2013-2038 RTP, Alternative Measures Update, Appendix B, Page 9*

In May 2016 voters passed a 13¢ / \$1,000 assessed value RVTD levy and the district restored and expanded service levels. Furthermore, the 2017 Oregon Legislature passed HB2017 which created the Statewide Transportation Improvement Fund (STIF) which according to ODOT is estimated to provide RVTD with an additional \$1.2 million in 2019 and increasing to \$3.2 million per year by 2021.

Due to RVTD’s additional funding the MPO Policy Committee asked that a small group of members, including representation from RVTD, Jackson County, the Oregon Department of Transportation and the City of Medford to meet to discuss alternatives to the 50 percent RVTD allocation of Surface Transportation Block Grant funds (previously called STP funds). The group met and have forwarded an IGA to the MPO Policy Committee for approval. The IGA states that the current allocation of 50 percent will be reduced on an annual basis beginning in 2020, down to an amount of \$700,000 of STBG funds annually. However, if significant financial changes were to occur for RVTD the IGA would be reevaluated. This agreement is supported by RVTD.

### **FISCAL IMPACTS**

The approval of the IGA will allow additional funding to be available to Cities, including Ashland, and the County for bicycle/pedestrian/TOD projects.

### **SUGGESTED NEXT STEPS**

Staff recommends that the City Council provide direction to Councilor Rosenthal to vote affirmatively on the IGA between the RVMPO and RVTD at the February 22, 2019 RVMPO Policy Committee meeting.

### **ATTACHMENTS**

Attachment 1: Intergovernmental Agreement

## **INTERGOVERNMENTAL AGREEMENT**

**THIS AGREEMENT** is made and entered into by and between the Rogue Valley Metropolitan Planning Organization, hereinafter referred to as “RVMPO”, and the Rogue Valley Transportation District, hereinafter referred to as “RVTD”, both of which are hereinafter referred to collectively as “PARTIES”;

### **WITNESSETH**

WHEREAS, RVMPO is a voluntary association of local governments serving Jackson County, Oregon; and

WHEREAS, RVTD is a member agency of the RVMPO; and

WHEREAS, RVMPO has, over the past several years, provided to RVTD 50% of the MPO’s annual allocation of STBG funds; and

WHEREAS, the Policy Committee of the RVMPO created a sub-committee to review this ongoing allocation and return to the Policy Committee with recommendations; and

WHEREAS, the purpose of this agreement is to ensure that both parties agree to and understand the arrangement regarding the allocation of funding to the RVTD from the RVMPO’s annual allocation of STBG funds.

NOW THEREFORE, in consideration of the mutual terms, conditions, stipulations and covenants herein contained, the PARTIES do hereby agree to the following:

#### **A. DESCRIPTION OF AGREEMENT**

RVMPO hereby agrees to reduce the current allocation of 50% of STBG funds to RVTD on an annual basis, beginning in FY 2020, down to the amount of \$700,000 of STBG funds annually. RVTD shall be able to utilize these monies as RVTD sees fit and in accordance with all pertinent federal and state laws and regulations.

#### **B. DURATION OF AGREEMENT**

This agreement shall take effect in Federal Fiscal Year 2020 (commencing October 1, 2019) and shall be reviewed every five years (plus or minus a year so as not to interfere with the TIP/STIP cycle) unless one or more of the following incidents occur:

- Should the RVTD’s Operating Property Tax Levy not be renewed by the voters; or
- Should a significant change to the amount of STBG funds provided to the RVMPO occur,

