

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING A)	RESOLUTION NO. 83-398
PROCEDURE TO ALLOCATE FEDERAL AID)	
URBAN FUNDS TO FOREST GROVE)	Introduced by the Joint
)	Policy Advisory Committee
)	on Transportation

WHEREAS, Through Resolution No. 83-392, the Metro Council adopted changes to the Federal Aid Urban (FAU) Boundary; and

WHEREAS, This action incorporated Forest Grove and Cornelius into the Portland metropolitan FAU Boundary and changed FAU allocation formulae; and

WHEREAS, A revised procedure is needed to equitably distribute FAU funds to the Portland metropolitan participants brought about by the boundary change; and

WHEREAS, Metro staff has developed a recommended procedure to deal with distribution of FAU funds to Forest Grove, Portland and the balance of the region; now, therefore,

BE IT RESOLVED,

1. That the Metro Council adopts the policy of allocating a per capita share of the region's full annual FAU funds for FY 83-86 to Forest Grove prior to subtracting the downstate transfer (estimated at 1.28 percent in FY 83).
2. That this procedure is to apply for the years FY 1983 to 1986 or to extend over the life of the downstate transfer only.
3. That results of the application of this policy are depicted in Attachment "A" and form a part of this Resolution.
4. That after FY 86 (or completion of the downstate transfer) Portland will return to its per capita share of the full

regional allocation and Forest Grove will compete for a share of the regional allocation.

5. That this policy be coordinated with the Oregon Department of Transportation.

ADOPTED by the Council of the Metropolitan Service District this 26th day of May, 1983.



Presiding Officer

BP/srb
8220B/349
05/13/83

ATTACHMENT "A"

Projected FAU Apportionments

	FAU Allocation to Metro Area	Transfer	Portland	Region ^C	Forest Grove ^d
79	\$ 3,858,448	\$ 3,335,597	\$ 240,511	\$ 282,340	
80	3,858,448	3,335,597	240,511	282,340	
81	3,858,448	3,335,597	240,511	282,340	
82	4,080,157	3,879,653	82,207	118,297	
83a	4,079,711	3,878,493	61,730	87,268	\$ 52,220
84a	4,079,711	3,878,493	61,730	87,268	52,220
85a	4,079,711	3,878,493	61,730	87,268	52,220
86a	4,079,711	1,566,077	1,019,764	1,441,650	52,220
	<u>\$31,974,345</u>	<u>\$27,088,000^b</u>	<u>\$2,008,694</u>	<u>\$2,668,771</u>	<u>\$208,880</u>

^aPreliminary, subject to actual statewide allocation and population changes.

^bActual FAU trade commitment = \$27,088,000.

^CRegional Allocation:

	Boones Ferry	Region	Total
79	\$ 0	\$ 282,340	\$ 282,340
80	0	282,340	282,340
81	232,678	49,662	282,340
82	118,297	0	118,297
83	87,268	0	87,268
84	87,268	0	87,268
85	87,268	0	87,268
86	877,693	563,957	1,441,650
	<u>\$1,490,472</u>	<u>\$1,178,299</u>	<u>\$2,668,771</u>

^dFY 1979-82 allocations to Forest Grove directly from ODOT were as follows: FY 1979 = \$45,991; FY 1980 = \$45,344; and FY 1981 = \$49,910; available carryover = \$65,488.

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CONSIDERATION OF RESOLUTION NO. 83-398 FOR THE
PURPOSE OF APPROVING A PROCEDURE TO ALLOCATE
FEDERAL AID URBAN FUNDS TO FOREST GROVE

Date: May 12, 1983

Presented by: Andy Cotugno

The Metro Council approved changes to the Federal Aid Urban Boundary on March 24, 1983. This action incorporated Forest Grove and Cornelius into the Portland metropolitan Federal Aid Urban Boundary and has an effect on Federal Aid Urban funding allocation.

The purpose of Resolution No. 83-398 is to establish a procedure for allocating Federal Aid Urban (FAU) funds to Forest Grove for fiscal years 1983 through 1986 and to define the effect on Portland and the balance of the region.

FACTUAL BACKGROUND AND ANALYSIS

The significant immediate impact of the FAU boundary change is to include Forest Grove and Cornelius inside the Portland metropolitan area FAU boundary. Under the old boundaries, the Portland region received an allocation of FAU funds and Forest Grove, with its own boundary, received its own allocation of FAU funds. Both allocations were based on the relative population inside the respective urban areas. With the recently approved boundary change, the population of the Portland urban area increases with the addition of the Forest Grove population and, as such, the Portland region FAU allocation is in part attributable to the Forest Grove population. With this change, it becomes necessary to determine the procedure for allocating FAU funds to Forest Grove.

Under existing practice, Forest Grove would be treated like the other jurisdictions and could propose a highway project to be weighed against other proposals at the regional level. Using this procedure, available regional resources would be allocated to projects on the basis of "need," thereby meeting the highest priorities of the region. The alternative procedure would be to allocate the resources to all jurisdictions on the basis of population, regardless of where the critical transportation need exists.

Complicating the Forest Grove situation is the fact that the Portland region transferred nearly all of its FAU funds downstate, leaving very little to allocate between Portland, Forest Grove and other regional projects. In addition, past FHWA/CRAG/Metro actions resulted in 41 percent of the funds being allocated to Portland on

the basis of population and virtually all of the regional funds being allocated to a single project--Boones Ferry Road in Lake Oswego. This in effect penalizes Forest Grove with the Portland region's downstate transfer of FAU funds since, at the time, they had their own FAU boundary, and received their own FAU allocation.

Cornelius is also affected, but to a lesser degree. Their population is less than 5,000 persons and, therefore, did not formerly have their own FAU boundary. Instead, their population was included in the calculation of Federal Aid Secondary (rural) funds allocated to Washington County. Although they have very few streets on the Federal Aid Secondary system, they had the option of seeking Secondary funds from Washington County.

TPAC and JPACT have reviewed and approved this procedure.

RECOMMENDED PROCEDURE

Utilizing 1980 census data, Metro has developed a recommended procedure for allocating FAU funds to Forest Grove throughout the balance of the downstate transfer (FY 83-FY 86):

Portland Area Attributable FAU Funds		4,079,711
Less Forest Grove Allocation (1.28%)		<u>52,220</u>
F.G. Pop./Regional Pop. = 11,499/895,856 = 1.28%		4,027,491
Less Downstate Transfer to Primary		<u>3,878,493</u>
Balance Available to Portland/Region		<u>148,998</u>
Portland (Pop. = 366,383) = 41.43%		61,730
Region Less F.G. (Pop. = 517,974) = 58.57%		<u>87,268</u>
	884,357	<u>148,998</u>
		100.00%

The above calculations provide for Forest Grove to receive a portion of the full allocation with Portland and the region receiving their pro-rata shares after deducting the downstate transfer.

Also, with this change, Cornelius is included in the region's FAU boundary. However, they are proposed to be treated like all other jurisdictions: they have the option to seek FAU funds through Metro.

CONCLUSION

It is recommended that Forest Grove be allocated 1.28 percent of the region's FAU funds (on the basis of population) for the years FY 1983-86 to be calculated as a percent of the region's full FAU allocation, prior to subtracting the downstate transfer. This procedure is to extend to 1986, or the life of the downstate transfer only. If the FAU program is continued beyond 1986, Forest Grove would be treated as the other jurisdictions, that is, competing for a portion of the region's allocation, with no special treatment. In addition, after FY 86, Portland would return to its

population share of the full regional allocation. The result of the application of this policy is depicted in Attachment "A." The specific numbers are subject to actual funding allocations to the region and changes in population that change the local allocation factors. Cornelius will have the option to compete for regional FAU funds.

EXECUTIVE OFFICER'S RECOMMENDATION

Recommend adoption of the Resolution.

COMMITTEE CONSIDERATION AND RECOMMENDATION

The Development Committee unanimously recommended Council adoption of the attached resolution on May 9, 1983.

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