

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF UPDATING) RESOLUTION NO. 14-4502
THE METROPOLITAN)
TRANSPORTATION PLANNING AREA)
BOUNDARY TO REFLECT THE YEAR
2010 U.S. CENSUS BUREAU
URBANIZED AREA DESIGNATION

WHEREAS, the Federal Highway Act of 1962, as amended, and the Urban Mass Transportation Act of 1964, as amended, provides for an urban transportation planning process; and

WHEREAS, Metro is the Metropolitan Planning Organization (MPO) for the Portland, Oregon urbanized area, the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council has the specific responsibility to direct and administer the continuing urban transportation planning process; and

WHEREAS, Metro Council adopted the Metropolitan Planning Area Boundary by Resolution No. 03-3380A and as approved by Governor Kulongoski on January 20, 2004

WHEREAS, the boundaries of the Portland, Oregon urbanized area have been recently redefined by the U.S. Census Bureau as part of the year 2010 Census; and

WHEREAS, the Moving Ahead for Progress in the 21st Century Act (MAP-21, P.L. 112-141) and related Federal, State and local laws and programs requires MPOs to define a Metropolitan Planning Area (MPA) within which the MPO will focus its required transportation planning and programming activities; and

WHEREAS, Federal transportation planning guidance directs MPOs to include, within their respective Metropolitan Planning Area, all lands as “urbanized” by the U.S. Census Bureau and all other adjacent or nearby lands as forecasted by the MPO to become urbanized within the next 20 years; and

WHEREAS, it is recognized that some of the transportation facilities are located in areas designated as rural by state and local planning regulations but are designated as urban by the U.S. Census Bureau for federal transportation planning purposes; and

WHEREAS, Metro and Clackamas, Multnomah, and Washington Counties jointly adopted urban and rural reserves that sets the framework for where the region will and will not urbanize for the next 40-50 years; and

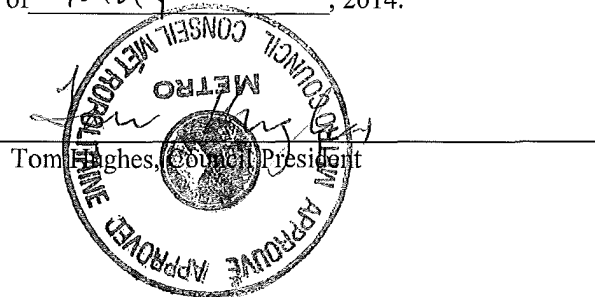
WHEREAS, the “Proposed Planning Area Boundary” of Exhibit A, dated March 26th, 2014, includes all the U.S. Census Bureau year 2010 defined urbanized area, includes areas that are within the Metro jurisdictional boundary, includes areas that are within the Metro Urban Growth Boundary, includes Metro Urban Reserves, includes areas with significant transportation facilities, and includes those adjacent or nearby areas that are likely to become urbanized in the immediate future (i.e., the next 20 years); and

WHEREAS, the development of the Metropolitan Planning Area took place as the result of meetings of Metro staff, the Transportation Policy Alternatives Committee, and the Joint Policy Advisory Committee on Transportation; now, therefore


BE IT RESOLVED that the Metro Council hereby adopts the recommendation of JPACT to amend the year 2004 Metro Metropolitan Planning Area Boundary to reflect the year 2010 U.S. Census Bureau urbanized area and other areas shown in Exhibit A to this resolution.

BE IT FURTHER RESOLVED that the Metro staff is instructed to transmit this adoption to the appropriate State and Federal agencies.

ADOPTED by the Metro Council this 15 day of May, 2014.

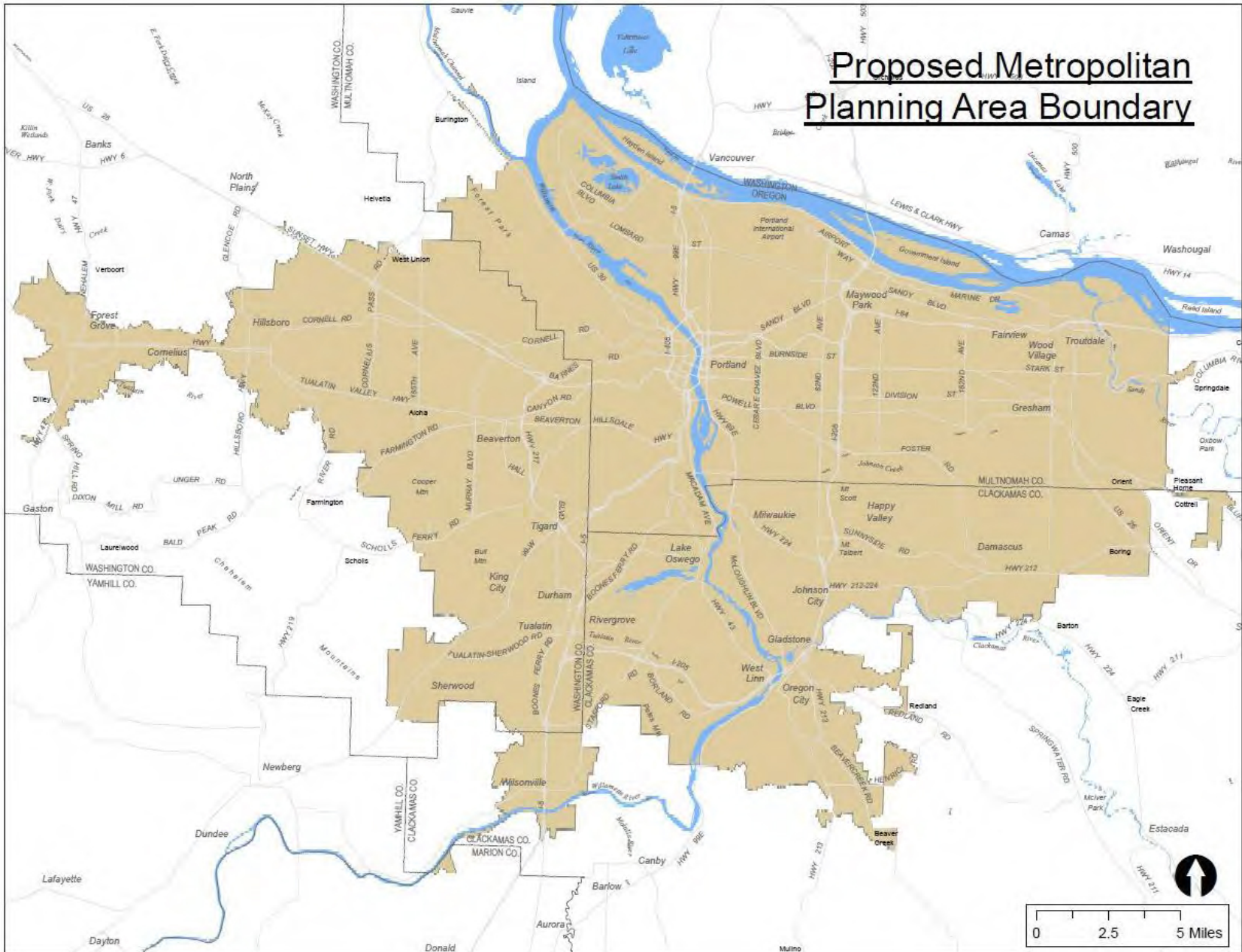


Approved as to Form:



Alison Kean Campbell, Metro Attorney

EXHIBIT A



STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 14-4502, FOR THE PURPOSE OF UPDATING THE METROPOLITAN PLANNING AREA (MPA) BOUNDARY TO REFLECT THE YEAR 2010 U.S. CENSUS BUREAU URBANIZED AREA DESIGNATION.

Date: April 16th, 2014

Prepared by: Clinton (CJ) Doxsee & Ted Leybold

BACKGROUND

The MPA boundary is a federal requirement for the metropolitan planning process and is established by individual Metropolitan Planning Organizations (MPOs) according to federal metropolitan planning regulations. Metro is the MPO for the Portland, Oregon urbanized area and has the responsibility to direct and administer the continuing metropolitan planning process (23 USC 134(b) AND 49 USC 5303(c)).

Each MPA boundary is required to include:

- At a minimum, an area encompassing the existing urbanized area (UZA) and the contiguous area expected to become urbanized within a 20-year forecast period;
- May further be expanded to encompass the entire metropolitan statistical area or combined statistical area, as defined by the Office of Management and Budget.

The Census Bureau designates a new list of UZAs every 10 years following the conclusion of each census. A UZA represents a densely developed area encompassing residential, commercial, and other non-residential urban land uses. The MPA boundaries are reviewed and updated as necessary after each Census by the MPO in cooperation with State and public transportation operators and submitted to the FHWA and the FTA.

The 2010 Census issued the list of 2010 urban areas in a *Federal Register* Notice on March 27th, 2012. Boundaries of current MPOs should be updated no later than the next scheduled Metropolitan Transportation Plan (MTP) update after October 1st, 2012, or within four years of the designation of the 2010 UZA boundary, whichever comes first.

To address this guidance on updating the Metro area MPA boundary, an MPA boundary is proposed to utilize existing planning boundaries and a limited number of boundary extensions to include significant transportation facilities. The purpose is to include programs and facilities specific to the Portland metropolitan area to form a comprehensive area for administering the federal metropolitan planning process. Specifically, the proposal includes:

1. The U.S. Census Bureau year 2010 defined urbanized area, based on the UZA boundary detailed in the March 27, 2012 Federal Register Notice;
2. Areas within the Metro Jurisdictional Boundary as of May 1, 2014. Metro has state and home-rule charter responsibilities to manage growth for everything within the Metro boundary and should be coordinating this growth management responsibility with the federal MPO planning responsibility for those areas;

3. Areas within the Metro Urban Growth Boundary (UGB) as of May 1, 2014. According to State law, Metro is responsible for managing the Portland metropolitan region's UGB. This boundary controls urban expansion onto farms and forest lands and includes a 20-year supply of land for future residential development;
4. Metro Urban Reserves as of May 1, 2014. Urban Reserves are lands that are designated through cooperative agreement of Clackamas, Multnomah and Washington Counties and Metro, and recent state legislation, as best suited to accommodate future urban development. They are identified for potential inclusion within the Urban Growth Boundary through 2060 and as such should be coordinated with the federal MPO planning process;
5. Areas with significant transportation facilities (i.e. interchanges and intersections) that are adjacent to and serve significant transportation function to the urban area. Some significant interchanges and intersections are only partially included in the UZA boundary. Including facilities only partially included in the urban areas or when the function of those facilities exist primarily to serve or provide access to the metropolitan area will simplify and allow a more holistic transportation planning process. Areas with detailed explanation include the following:
 - Jackson School Road
 - Along Highway 26 and Jackson School Road, MPA Boundary includes full interchange footprint to the north of Jackson School Road. Extent of boundary is to the edge of the interchange right-of-way.
 - Intersection of I-5 and Highway 551
 - At the intersection of I-5 and Highway 551 (Portland-Hubbard Hwy) MPA Boundary includes interchange of I-5 and Highway 551.
 - Intersection of Highway 26 and Highway 212
 - MPA Boundary includes Highway 26 and Highway 212 interchange.
 - Sauvie Island and NW St. Helens Road
 - MPA Boundary includes full extent of right of way at the Sauvie Island Bridge Interchange.
 - At the intersection of NW St. Helens Road and NW Cornelius Pass Road. Extent of boundary is to the edge of the intersection right-of-way.

ANALYSIS/INFORMATION

1. **Known Opposition** Marion County staff and Board of Commissioners have expressed concern about Metro performing planning functions within its jurisdictional boundary. The boundary proposal has clarified that the MPA boundary designation within Marion County applies only to the federal transportation planning function and not any other planning functions conducted for state or local purposes. This MPA designation within Marion County is limited in scope as described below in “Anticipated Effects” and is federally required due to a portion of Marion County being within the Census Bureau designated Portland metropolitan urbanized area (UZA).
2. **Legal Antecedents** Metro Council Resolution No. 03-3380A For the Purpose of Designation of the 2004 Regional Transportation Plan as the Federal Metropolitan Transportation Plan to Meet Federal Planning Requirements.
3. **Anticipated Effects**

Adjustment to the MPA boundary will impact the following MPO Programs

Regional Transportation Plan (RTP): For the current 2014 RTP update, additional projects in the newly designated planning areas need to be identified for inclusion. Projects in the RTP project list that have been submitted that are now outside the proposed MPA boundary need to be identified as well.

Capital Improvement Program (MTIP): Projects located within the MPA boundary are eligible for urban-STP, CMAQ and TAP funding distributed through the MPO. Projects outside the boundary are eligible only if it can be demonstrated that they have a significant impact on the transportation network within the MPO boundary. Any regionally significant project or projects receiving ODOT administered funding (Enhance or Fix-It) or federal transit funding must be included in the MTIP if they are located within the MPA boundary. The impact of being within the MPA boundary has little to no impact on projects receiving those funds – it is primarily a project and air quality modeling coordination effort.

Adjustments to the UZA and resulting MPA boundaries will impact the following FHWA Programs

Highway Functional Classification: The highway functional classification system distinguishes both by type and roadway facility and whether the facility is located in an urban or rural area. A specific type of roadway facility may have different design criteria depending on whether it is in a rural or urban area, but highway design criteria are not applied strictly according to an urban versus rural boundary designation. Once adjustments to UZA boundaries are adopted, highways that are impacted by the new boundaries must be functionally reclassified.

Highway Performance Monitoring System (HPMS) Reporting: FHWA’s HPMS requests States to report annual highway statistics by highway functional classification, including urban versus rural areas. Several tables in FHWA’s annual Highway Statistics Report also summarize information by urban versus rural classification.

- Adjusted UZA boundaries adopted by the State and MPOs should be used for Highway Performance Monitoring System (HPMS) reporting at the earliest time possible (within 2 to 3 years maximum) after the adoption decision.
- Any changes to the rural/urban roadway location and functional class that result from adjustments to UZA boundaries should be reported in HPMS Data Items 1 (Functional System Code) and 2 (Rural/Urban Designation) respectively.

- The size of the urban area is determined based on the latest decennial Census (or special inter-decennial census) designation, not on the population within the Adjusted UZA. Refer to the HPMS Field Manual, page 4-16 for guidance on reporting Urbanized Area codes for HPMS Data Items 1 and 2.

Distribution of Surface Transportation Program (STP) Funds: This provision only affects where funds may be spent within a State, not how much money the State receives. STP funds are sub-allocated within each State between UZAs with a population over 200,000 and the rest of the State, in proportion to their relative share of the total State population. Each UZA with a population over 200,000 receives a share of the funds sub-allocated for such areas, based on the area's share of the total population in all areas with over 200,000 residents in the State. 23 USC 133(d)(3)(B) guarantees that a minimum of 110% of the funds apportioned to the State in FY 1991 for the Federal-aid secondary system must be spent in rural areas. A rural area is defined as any area of the State that is outside of the Adjusted UZA boundaries.

STP Apportionment Formula: 23 USC 104(b)(3) includes, as part of the apportionment formula for STP funding, lane-miles and VMT on Federal-Aid highways within the state. Federal-Aid highways include all highway functional classifications except local roads and rural minor collectors. Expanding the boundary of urban areas within the state may change some rural minor collectors to urban collectors, making them eligible as Federal-Aid highways. However, the impact on apportionment of federal aid funding is insignificant.

Control of Outdoor Advertising: The Outdoor Advertising Control Program (23 USC 131) uses the UZA definition in 23 USC 101(a)(36) to specify the boundary between locations where signage can be placed beyond 660 feet and be intended to be read from the highway. States will continue to use the Census Incorporated Place data to map and control signage as it relates to places of 5,000 or more in population, in the manner defined by 23 CFR 750.153(t) and 750.703(m).

Attachment 1, "Boundary Descriptions" provides descriptions and functions of MPA and related boundaries. Attachments 2 and 3 provide maps of considered boundaries and significant transportation facilities. Attachment 4, "Proposed Metropolitan Area Boundary" illustrates the Metropolitan Planning Area. Attachments 5 through 8 further illustrates the relationship between the proposed MPA boundary and related boundaries. Attachment 9 provides documented responses to work group discussion questions. Upon adoption of the Resolution No. 14-4502, Metro staff will transmit this adoption to the appropriate State and Federal agencies for final approval

4. **Budget Impacts** Resolution 14-4502 does not have budget impacts for Metro.

RECOMMENDED ACTION

Metro staff recommends the approval of Resolution No. 14-4502

Boundary Descriptions

Urbanized Area Boundary

The urbanized area is one component of the urban-rural classification defined by the Census Bureau. For the 2010 Census, an urban area is considered to have a densely settled core of census tracts/blocks that meet minimum population density requirements. Urbanized areas can also include non-residential urban land uses and areas with low population density that link outlying densely populated areas. Rural areas are considered all population, housing, and territory not included within an urban area.

Federal transportation legislation allows for the outward adjustment of Census Bureau defined urban boundaries (of population 5,000 and above) as the basis for development of adjusted urban area boundaries for transportation planning purposes, through the cooperative efforts of State and local officials. By Federal rule, these adjusted urban area boundaries must encompass the entire census-designated urban area (of population 5,000 and above) and are subject to approval by the Secretary of Transportation (23 USC 101(a) (36) - (37) and 49 USC 5302(a) (16) - (17)).

For the purposes of the boundary adjustment process, the term "adjusted urban area boundaries" refers to the FHWA boundary adjustment process in all areas of 5,000 population and above.

During the time between the release of the Census Bureau boundaries and the formal approval of the new adjusted boundaries, the previously developed and approved adjusted urban area boundaries remain in effect. For FHWA and State DOT planning purposes, if a State DOT chooses not or is unable to adjust the urban area boundaries, the most recent unadjusted census boundaries will take effect. This could cause a roadway previously considered to be urban to now be considered rural, which may affect federal aid funding eligibility.

To avoid this situation, States are encouraged to work with their FHWA Division Office and their local planning partners to go through the process of developing the adjusted urban area boundaries within the recommended timeframe. See:

http://www.fhwa.dot.gov/planning/processes/statewide/related/highway_functional_classifications/section06.cfm

Function

- Establishes the area for a wide variety of uses, including the baseline area for defining the boundaries of Metropolitan Planning Areas.

Metropolitan Planning Area

The MPA boundary is a federal requirement for the metropolitan planning process and is established by individual Metropolitan Planning Organizations (MPOs) and the Governor according to federal metropolitan planning regulations. The Metropolitan Planning Area Boundary must encompass at least the existing urbanized area and the contiguous areas expected to become urban within a 20-year forecast period. Other factors may also be considered to bring adjacent territory into the MPA boundary, and may be expanded to encompass the entire metropolitan statistical area or combined statistically area as defined by the federal Office of Management and Budget.

Function

- Establishes the area in which the Metropolitan Planning Organization (MPO) conducts federally mandated transportation planning work, including: a long-range plan (RTP), the 4 year capital improvement program (MTIP), a unified planning work program (UPWP), a congestion management process (CMP), and conformity to the State Implementation Plan for air quality for transportation related emissions.

Metropolitan Planning Area (cont.)

Notes: Metro has an agreement with the Southwest Washington Regional Transportation Council (SWRTC) to coordinate metropolitan planning activities. Metro leads administration of the MPO process for the portion of the Portland-Vancouver metropolitan area within the State of Oregon. SWRTC leads the MPO process for the portion of the Portland-Vancouver metropolitan area within the State of Washington.

Metro's Jurisdictional Boundary

The Metro boundary, encompassing urban portions of Multnomah, Washington, and Clackamas Counties, defines where the agency performs functions as defined by its home rule Charter, approved by the region's voters in 1992 and 2000. The charter charges Metro with providing planning, policy-making and services to preserve and enhance the region's quality of life. The land inside the Metro boundary has elected representation on the Metro Council and is subject to Metro's regulatory and taxing authority. ([Metro](#))

Function

- Planning to meet state comprehensive planning requirements (including a transportation element)
- Services to preserve/enhance region's quality of life (waste management, zoo, cemeteries, etc.)

Urban Growth Boundary

Under Oregon law, each city or metropolitan area in the state is required to have urban growth boundary (UGB) that separates urban land from rural land. Metro is responsible for managing the Portland metropolitan region's urban growth boundary.

The urban growth boundary is a land use boundary dividing the urban area within the boundary from rural areas outside. The rural areas are protected from urban-type land uses such as commercial or industrial activities or subdivisions on lots smaller than two acres.

State law charges Metro with the authority to manage the urban growth boundary. Metro is responsible for maintaining sufficient inventory of available buildable land inside the urban growth boundary, which may necessitate expansions of the boundary. Updates to the UGB occur every five years through an assessment of population capacity and approved by Metro Council.

Notes: For land outside the urban growth boundary but inside the Metro Jurisdictional boundary, transportation planning work can identify rural planning facility designations and projects consistent with rural goals. Metro does not have land use authority outside the Metro boundary. For land inside the MPA boundary but outside the Metro boundary, JPACT/Metro can adopt facility designation or projects for federal planning purposes but those projects/designations are not recognized by Oregon planning law and therefore a County would not be required to reflect those projects or designations in their comprehensive plans.

Function

- Define urban and rural land for state comprehensive planning purposes, including the transportation element of the comprehensive plan.

Urban Reserves

A subset of boundaries related to the Urban Growth Boundary collaboratively identified as priority areas for future expansion of the urban growth boundary. Urban Reserves are areas outside of the UGB that were designated through intergovernmental agreements between Metro and Clackamas, Multnomah, and Washington counties.

Oregon Legislature's SB 1011 provides Metro the ability to identify and designate areas outside the current UGB. The purpose of designating urban reserves is to maintain an identified supply of land that can accommodate expansion of the UGB through 2060. Urban reserves were formed in 2010 through intergovernmental agreements between Metro and local counties.

Function

- Land identified for future expansion of the urban growth boundary.

Air Quality Management Area (AQMA) Boundary

This boundary establishes the area in which the US Department of Transportation must approve that regional transportation plans and programming within that area conform to state and federal air quality rules established by the Oregon Environmental Quality Commission and the federal Environmental Protection Agency. Metro, as the MPO, is the lead agency in developing the emissions analysis that demonstrates that regional transportation plans and programming do conform to air quality rules, coordinates with the regulatory agencies and submits the conformity determination to USDOT for approval. The boundary for the Metro area was established in the Second Portland Area Carbon Monoxide (CO) Maintenance Plan. This Plan defined the Metro jurisdictional boundary as the geographic extent of concern for which emissions budgets were created.

Previously, the Portland metropolitan area was non-compliant and then a maintenance area for ozone precursor pollutants. The metropolitan area is now in compliance for these pollutants and is no longer required to, but voluntarily reports on, the transportation emissions of these pollutants. The boundary of geographic extent of concern for these pollutants was larger than the CO maintenance plan boundary, and included portions of rural Washington County and Columbia County.

Function

- Protects health by ensuring transportation emissions do not exceed harmful levels.

Metropolitan Statistical Area / Combined Statistical Area Boundary

Geographies defined by the Office of Management and Budget (OMB) for use in tabulating statistical data about metropolitan areas. Metropolitan statistical areas (MSAs) consist of the core counties surrounding an Urbanized Area, plus adjacent counties with strong commuting patterns to and from the core counties. A combined statistical area combines an MSA and one or more adjacent additional statistical areas defined by OMB.

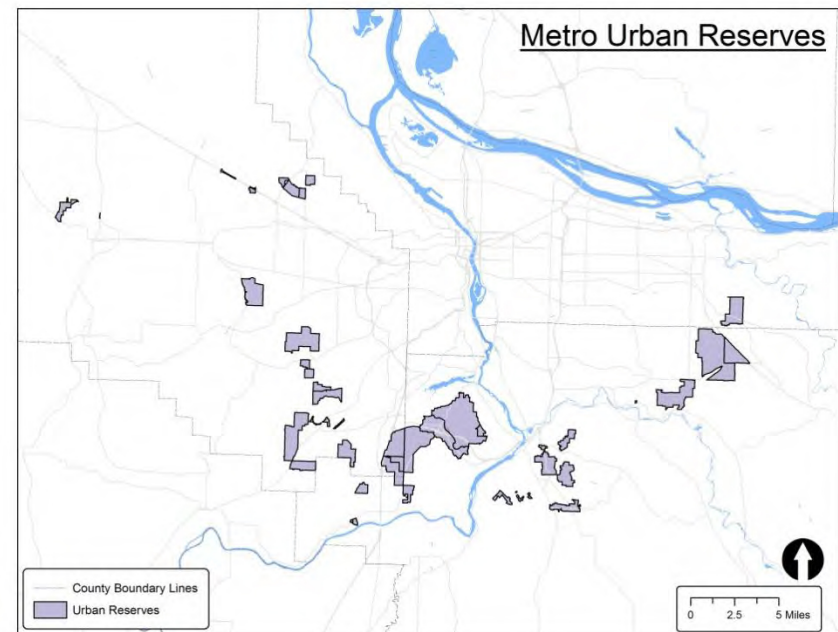
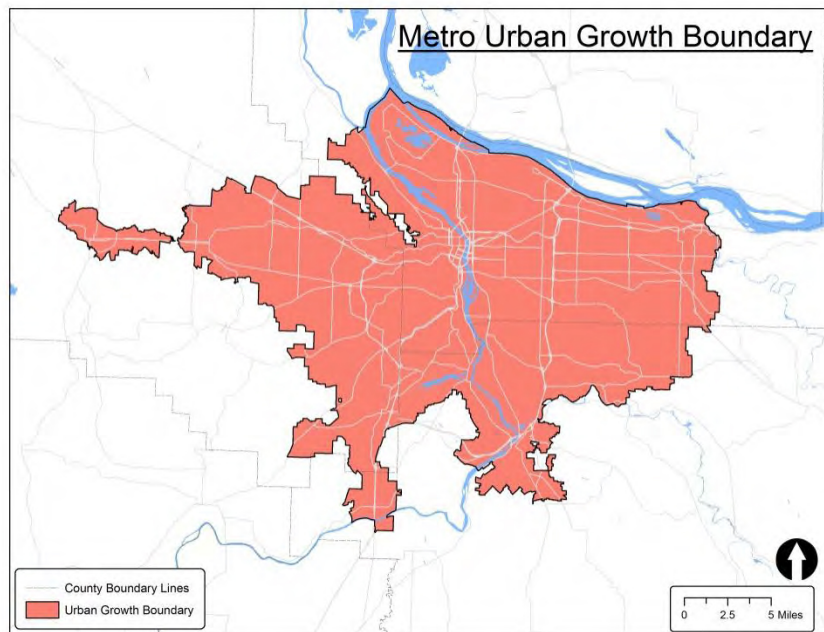
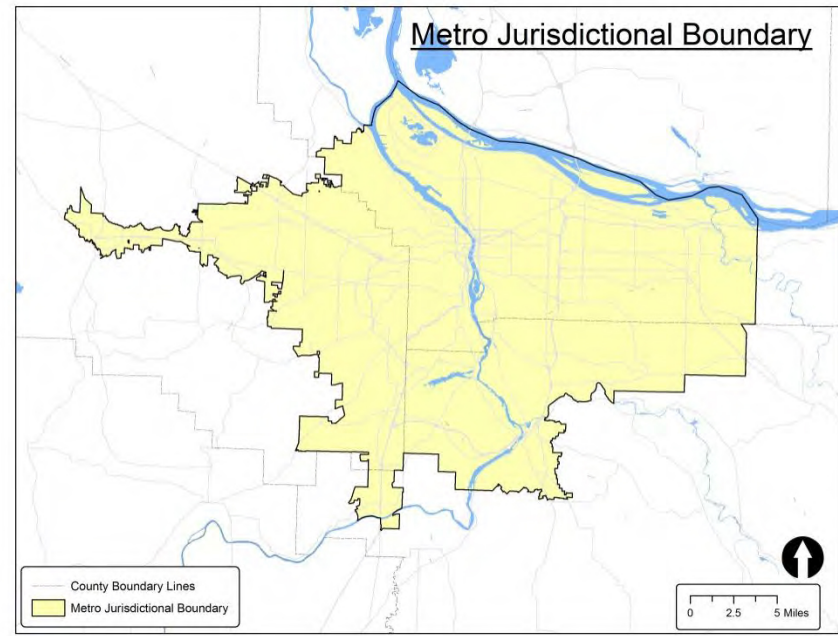
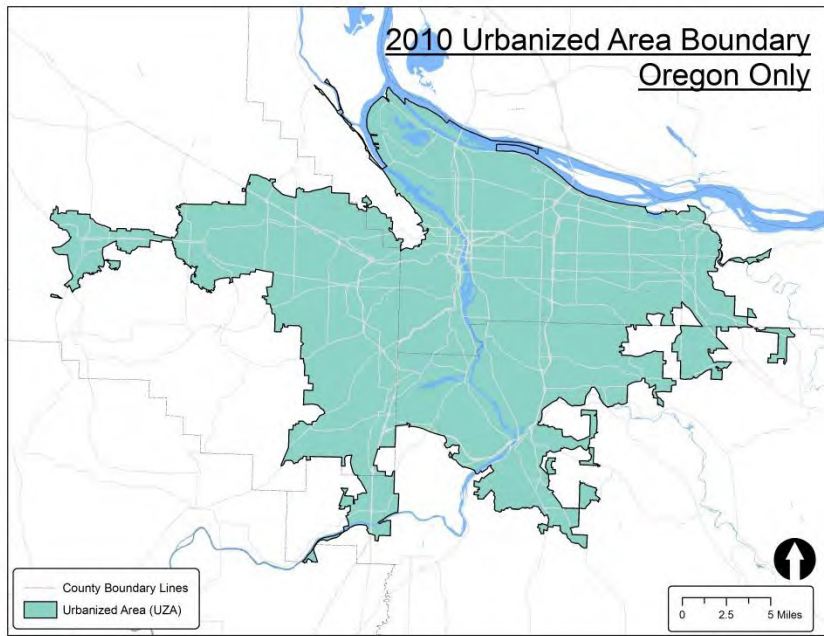
Function

- Provides geographical area definition for federal reporting, primarily on economic related data, for metropolitan areas.

For more information on the relationship between designated boundaries and the federally required transportation planning process, see:

http://www.fhwa.dot.gov/planning/census_issues/urbanized_areas_and_mpo_tma/faq/page01.cfm

ATTACHMENT 2

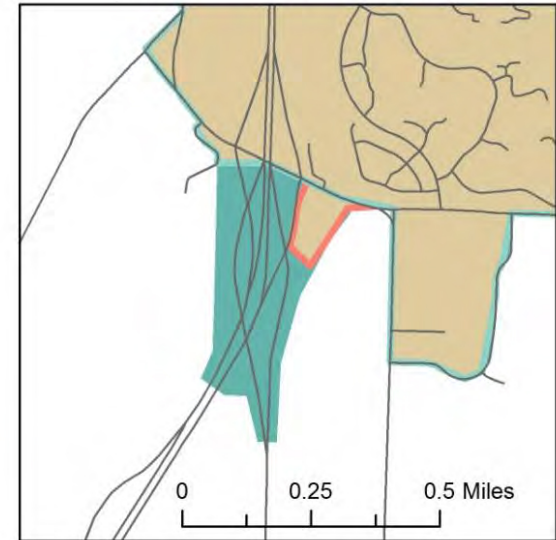
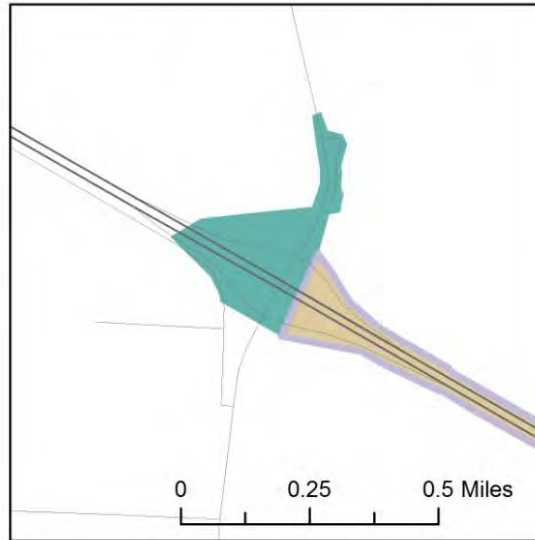
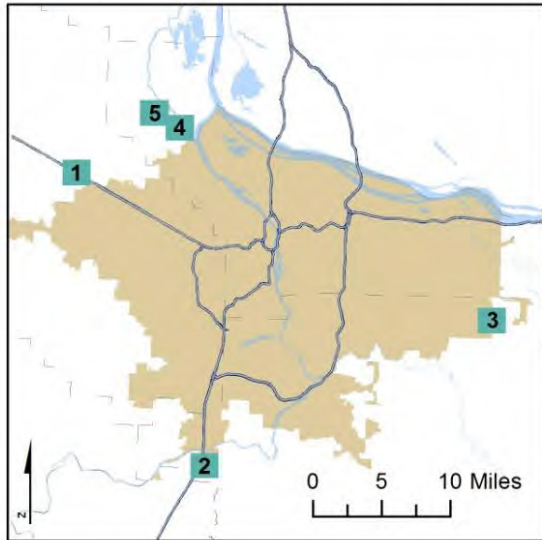


Significant Transportation Facility
Proposed MPA within Existing Boundary

Significant Transportation Facilities

1. Jackson School Road

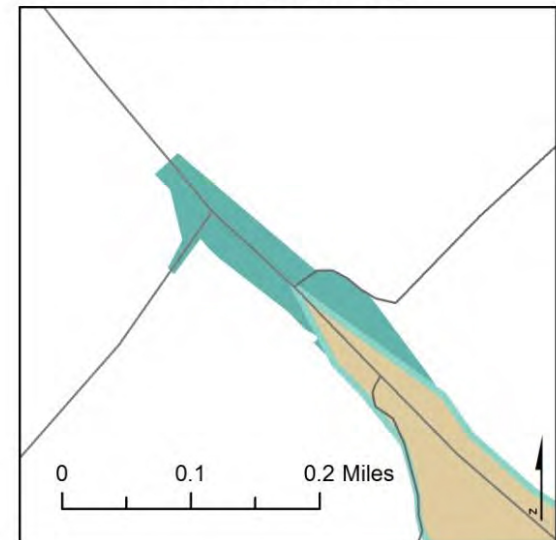
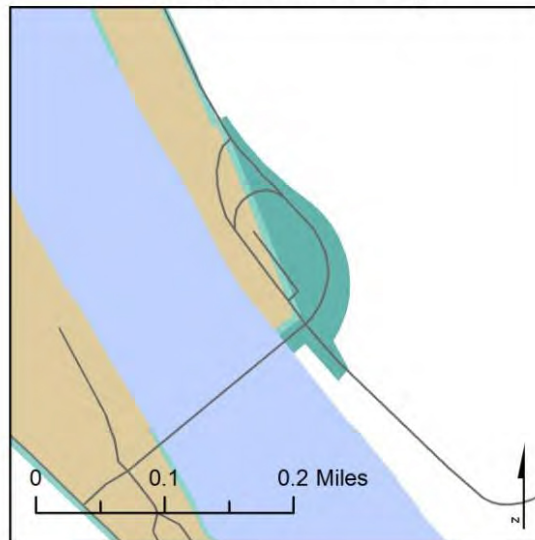
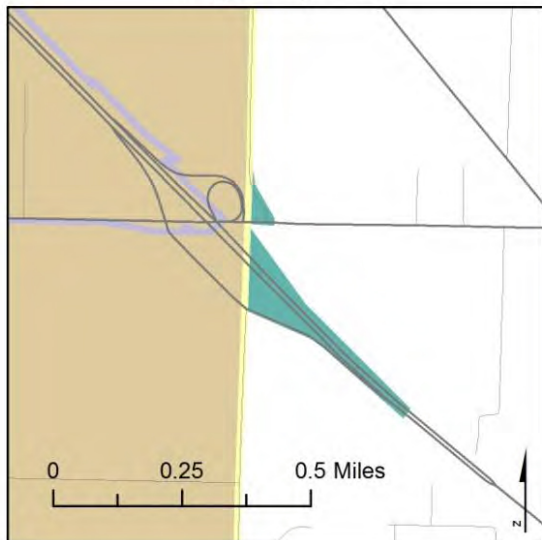
2. I-5 & Highway 551



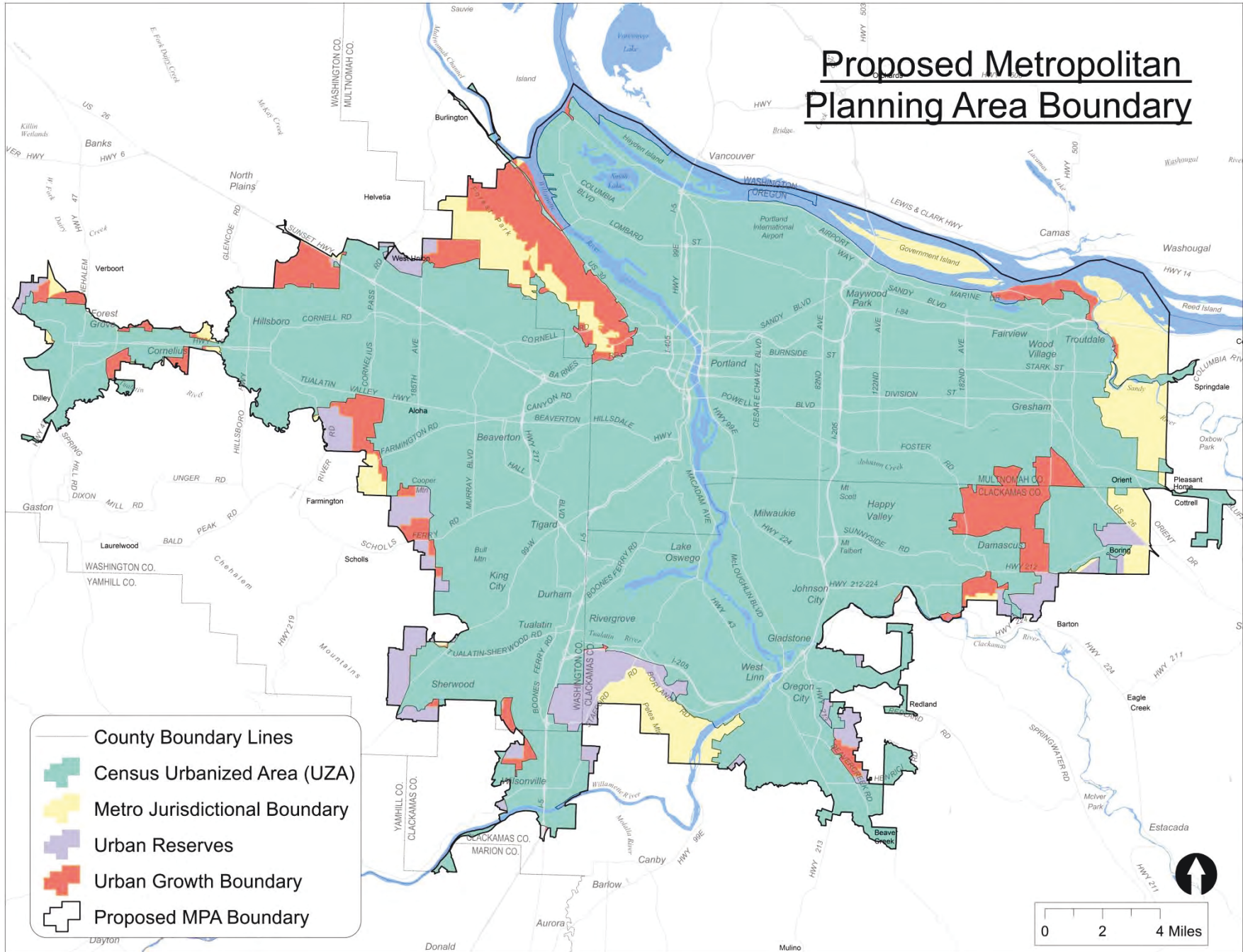
3. Highway 26 & Highway 212







4. Sauvie Island Bridge Interchange

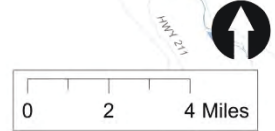
5. Highway 30 & Cornelius Pass



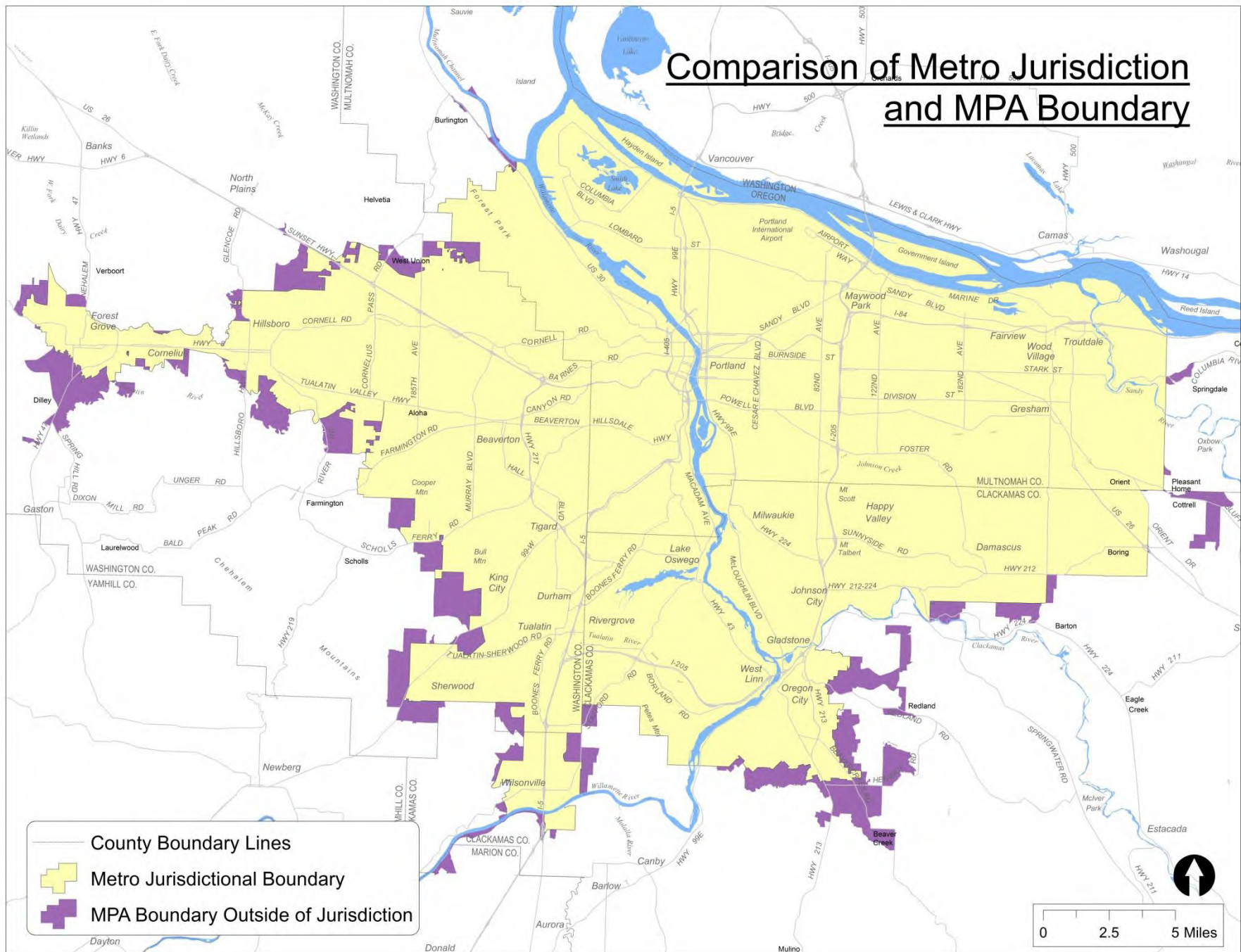
Proposed Metropolitan Planning Area Boundary



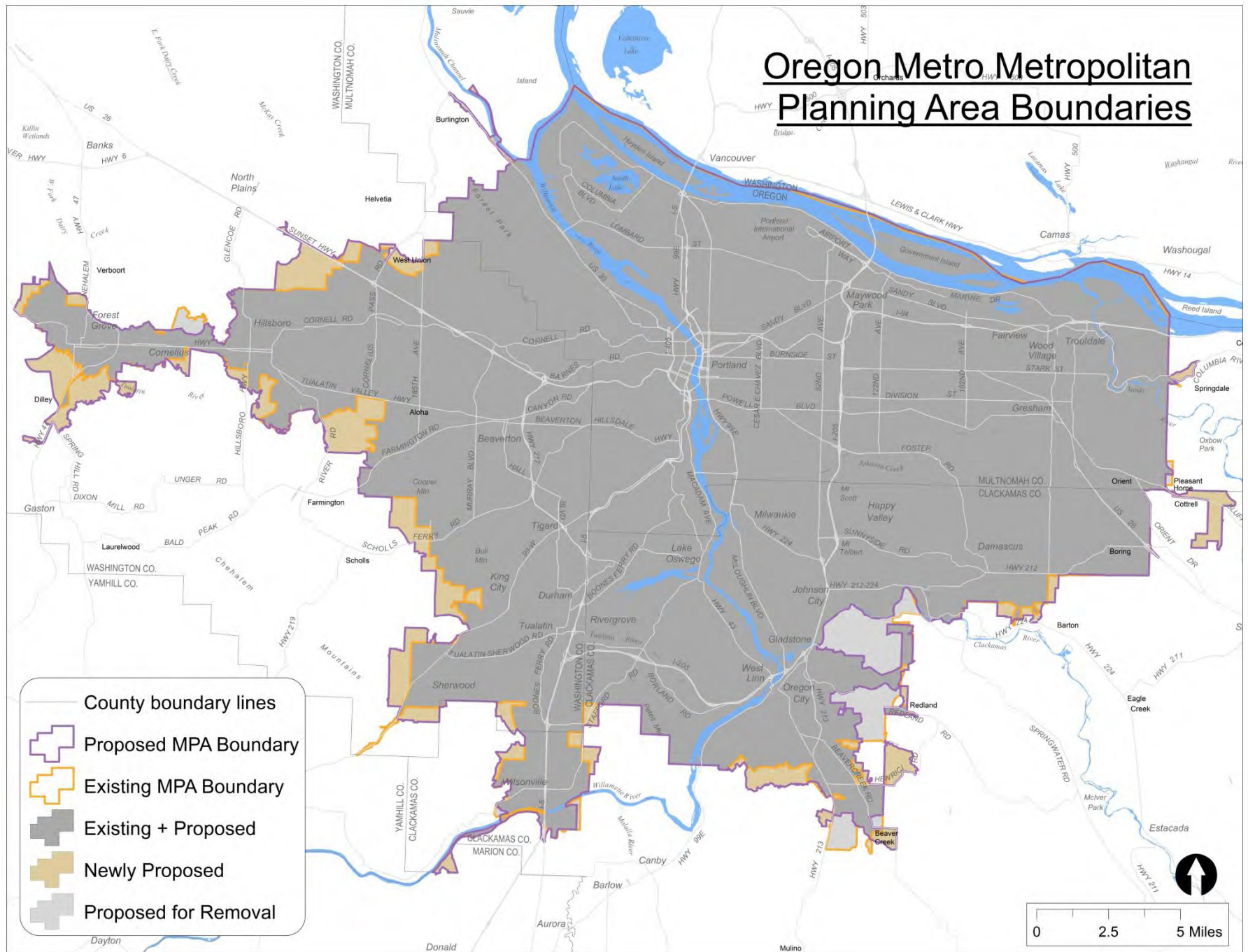
-  County Boundary Lines
-  Census Urbanized Area (UZA)
-  Metro Jurisdictional Boundary
-  Urban Reserves
-  Urban Growth Boundary
-  Proposed MPA Boundary



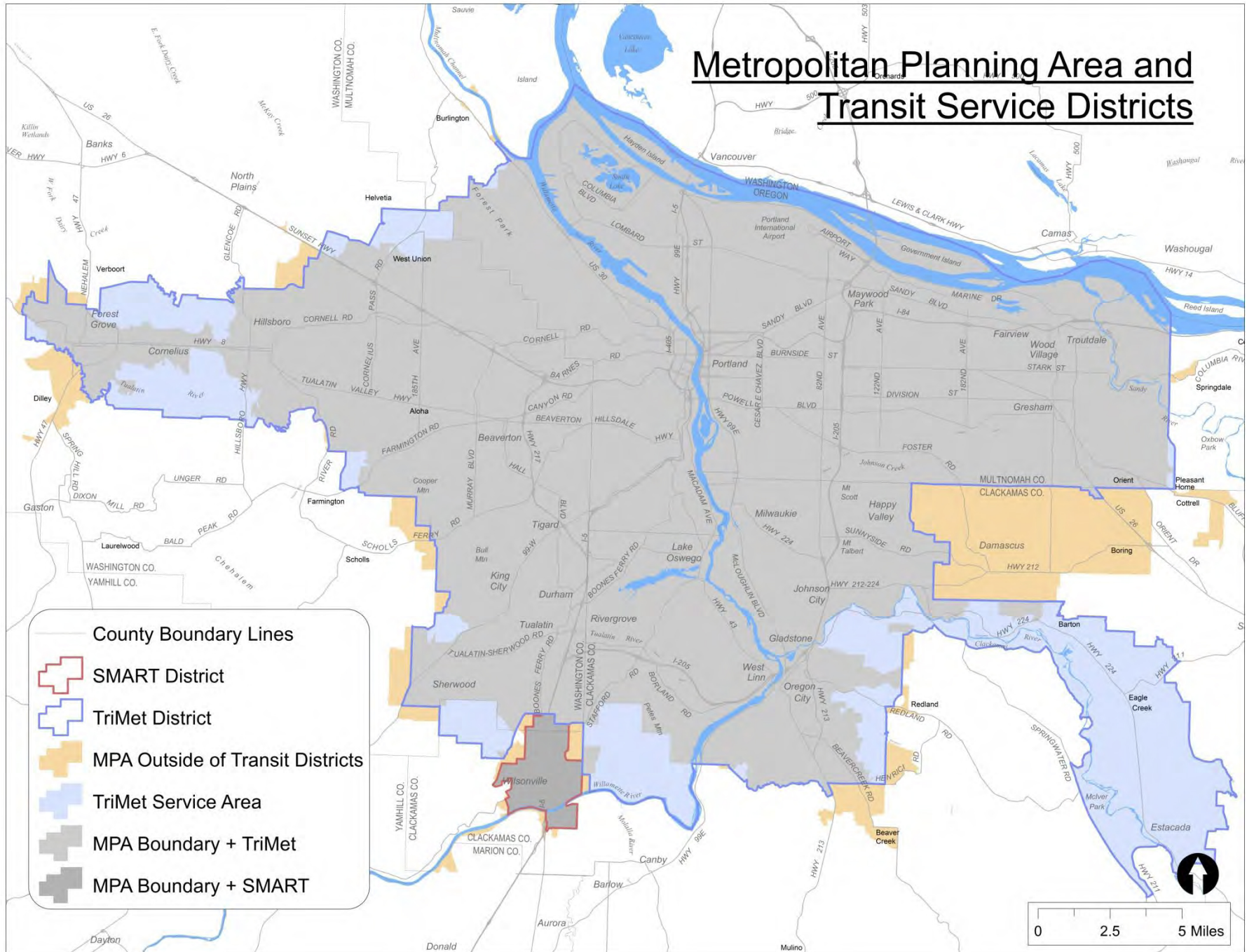
Comparison of Metro Jurisdiction and MPA Boundary

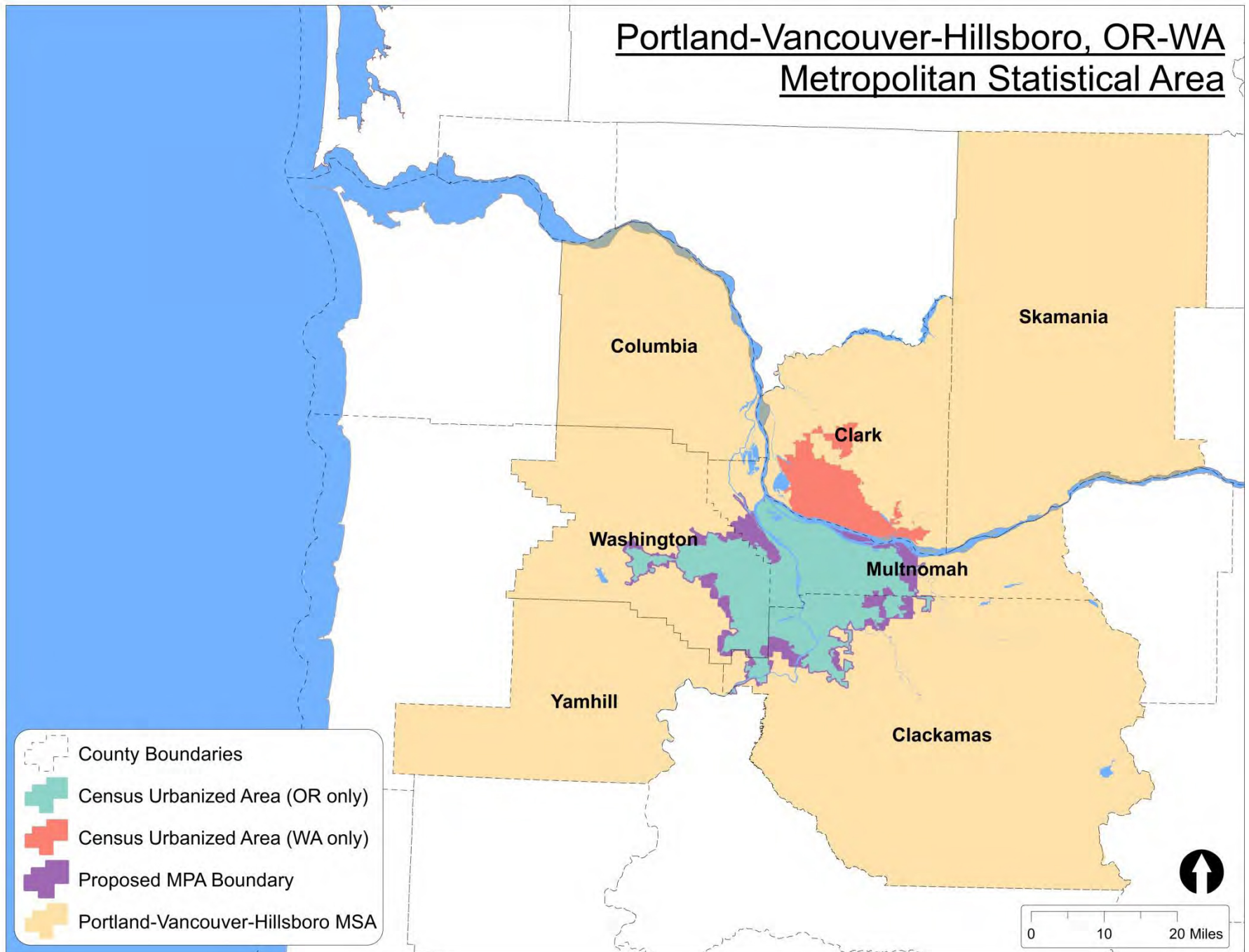


Oregon Metro Metropolitan Planning Area Boundaries



Metropolitan Planning Area and Transit Service Districts





MPA Work Group Questions & Answers

The change to the MPA boundary as proposed will only have minor impacts to the federal MPO planning processes conducted by Metro. Federal MPO planning processes conducted by Metro include the RTP, MTIP, UPWP, CMP. It's important to note that certain MPO processes such as the RTP also serve state MPO planning processes. The proposed boundary will also have minor impacts in rural reserve areas.

Is there an appeal process for federally designated urbanized areas (UZAs)?

No, there is not an appeal process for federally designated urbanized areas (UZAs). All federal literature clearly specifies that the UZA must be included in the MPA boundary. We have confirmation from the Census Bureau that there is no appeal process for reducing the size of the UZA boundary – only the ability to propose adjusting outward.

What are the impacts to how Metro conducts the Regional Transportation Plan (RTP)?

The MPA boundary as proposed will have a minor impact to the RTP. For the current 2014 RTP update, additional projects in the newly designated planning areas need to be identified if the local jurisdiction wants them to be included. Projects in the RTP project list that have been submitted that are now outside the proposed MPA boundary need to be identified as well. Please notify Metro if there is a need and financial constraint issue if such projects are still to be listed under the financially constrained RTP list.

What are the impacts to how Metro conducts the 4 capital improvement program (MTIP)?

The MPA boundary as proposed will have a minor impact to the MTIP. Projects located within the MPA boundary are eligible for urban-STP, CMAQ and TAP funding distributed through the MPO. Projects outside the boundary are eligible only if it can be demonstrated that they have a significant impact on the transportation network within the MPO boundary. Any regionally significant project or projects receiving ODOT administered funding (Enhance or Fix-It) or federal transit funding must be included in the MTIP if they are located within the MPA boundary. The impact of being within the MPA boundary has little to no impact on projects receiving those funds – it is primarily a project and air quality modeling coordination effort.

What are the impacts to how Metro conducts the unified work program (UPWP)?

The MPA boundary as proposed will have a minor impact to the UPWP. The description of planning activities that are funded will change based on how they apply to areas within the MPA boundary. Any needed updates to the UPWP planning descriptions will take place with the development of the 2015-2016 UPWP

What are the impacts to how Metro conducts the congestion management process (CMP)?

The MPA boundary as proposed is anticipated to have no impact to the CMP. The CMP analysis includes forecasts of trip from the regional TAZ model system. This includes forecasts and even some (but not necessarily all) anticipated projects outside the current MPA boundary. So much of the area proposed to now be included in the MPA boundary is already accounted for in the analysis that leads to the strategies portion of the CMP. During the next update of the CMP analysis, adjustments to model inputs (such as project impacts on facility capacity) will be re-evaluated and any new information about projects within the MPA boundary will be updated at that time.

What are the impacts to how Metro conforms to the State Implementation Plan for air quality and transportation related emissions?

The MPA boundary as proposed is anticipated to have no impact to the State Implementation for air quality and transportation related emissions. Projects should already be accounted for with the regional travel model's TAZs. Any project within newly added MPA boundary will be subject to the RTP and MTIP being regionally conformed prior to eligibility for federal funds. Given recent air quality models results, we do not anticipate any issues conforming the RTP or MTIP in the future.

What are the impacts to highway functional classification?

ODOT will be leading the update process for federal functional classification designations (Title 23, Section 103, USC). The regional transportation planning work to functionally classify facilities for state land use planning purposes only has authority within the Metro boundary, not the MPA boundary. Therefore, you would not need to update the functional classification of any facility outside the Metro Boundary to maintain consistency with the RTP for state planning purposes.

What is the impact on rural reserves and rural land that are now included within MPA boundary?

The impact on transportation facilities in rural areas of being included in the MPA boundary is expected to be minimal. Even though the federal functional classification of a transportation facility may change due to the MPA boundary, it does not change state requirements and limitations. Transportation facilities in rural areas as defined by the state - areas outside of the Metro jurisdictional boundary - but included within the federally recognized Metro area MPA boundary will still be required to meet the State Transportation Planning Rules, in particular 660-012-0065 and 660-012-0070. TPR rule 660-012-0065 defines what type of transportation facilities are permitted on rural lands, which are primarily limited to safety enhancements. TPR rule 660-012-0070 defines the process and limitations set in place for exceptions rural land transportation improvements. However, the authority to implement these state planning functions resides with the governing local agency in coordination with the state, and is not impacted by the federal MPA area designation or the federal functional classification.