Attachment 2

TIP Policy Document Amendment: Overview of Proposed Changes

TIP time period and development schedule

- Text added stating any deviation from the main Regional and Subregional calls for projects being held every four years requires Board approval and CDOT acknowledgement.

Agency roles and requirements

- The CDOT and RTD funding types and allocation process text has been removed, so the document is focused only on the DRCOG process, which is the main purpose of the document.
- Text adjusted to state matching funds are proposed to be available at the time of application or expected to be available before the IGA process begins.
    - Current language only states funds need to be reasonably expected at application time.
- Projects that affect air quality were previously known as “capacity projects”. The policy now refers to these as “regionally significant projects”. “Capital project” is now a reference to any infrastructure project.
    - This change in the TIP is meant to match RTP language.
- Text sections on freight and advance construction are proposed to be eliminated.
    - Although important, these sections in the policy document do not provide or list any applicant requirements.

DRCOG initial programming

- Added text: DRCOG reserves the right to hold back funding for future programming if it’s believed upcoming legislation is not defined enough to provide detailed future funding estimates. If this arises, all parties will be notified.
    - This allows DRCOG the ability to program less than 100% of future estimated funding for the calls for projects, based on the premise that’s it safer to provide additional funding opportunities later rather than reduce or eliminate recently funded scope elements or entire projects if funding estimates are off.
- Elimination of the dual track method in both calls for projects, including the opportunity to reduce match to only 10%.
    - DRCOG has no MMOF funding to program until Fiscal Year 2031, coupled with the lack of current stability of the funding source.
- Updated the set-aside programs and four-year DRCOG funding, in addition to referencing the specific set-aside policy document.

- Included a TIP commitment for $1 million of FY2028 STBG funding for DRCOG staff to supplement future federal planning funds to allocate towards regional MPO planning activities, as contained within future Unified Planning Work Programs, or UPWPs.

DRCOG calls for projects

- The six project and program investment priorities have been updated to match the expected 2050 RTP document to be amended in late 2026.
- Updated minimum match requirements for projects. The minimum match will remain at 20% within applications, however, 18.5% will be utilized on projects in their IGA's, and 1.5% will be invoiced by DRCOG as a TIP administrative fee (see below).
    - Effectively, by decreasing the minimum local match on projects from 20% to 18.5%, the maximum federal share increases from 80% to 81.5%.
- Instead of instructing applicants to utilize a 3% inflation factor, they are asked to review the current construction index provided by CDOT to assist in developing a factor.
- Language has been added referencing a TIP administrative fee. The fee is a result of revised DRCOG member contribution calculations and methodology, where a 1.5% fee is assessed on any DRCOG-allocated funding for any TIP project approved by the Board. The fee is then invoiced and becomes part of the project sponsors DRCOG membership contribution.
    - The fee is a replacement for an anticipated 50% reduction in dues based on a revised membership contribution methodology.
- A new paragraph has been included to highlight the importance for applicants to review all project elements before applying for funds.
    - Ultimately, by investing time and energy upfront before applying, this should lead to a higher percentage of projects delivered on time and within budget.
- A new paragraph has been included outlining a new requirement for walk audits to be completed as part of all application submittals. Major project type exceptions include studies, procurement-only projects, transit service and other non-infrastructure project types.
- A new paragraph has been included outlining a new requirement for active transportation counts to be conducted after a new and/or enhanced active transportation facility is included as part of an approved TIP application.
- Updated the project delays section to better outline the entire process as two steps; step one is the existing monthly updates that sponsors provide, and step 2 is the existing first- and second-year delay process.
    - This section has only been re-worded, with no proposed policy changes.

Regional Share call for projects

- The eligibility table has been updated:

    - Air quality staging periods adjusted in accordance with the anticipated 2050 RTP update.
    - Regional BRT projects have been incorporated into the transit category.
    - Transit service must be fully defined within the application scope and is limited to a maximum of three years of DRCOG funding.
    - Safety, active transportation and freight project location eligibility has expanded to include any project on the DRCOG Regional Roadway System.
    - Studies can be located anywhere, removing the previous eligibility requirement that studies were required to include the entire MPO.
    - An “other” category has been added, expanding eligibility to a project type or program beyond the types that are listed in the table, as long as it meets the eligibility of the funding types being used in a call.
- The criteria section has been updated to include a new section, in addition to updated weightings.
- For the project review panel, the number of subject matter experts has been reduced from 5 to 3, which is historically the number who have been involved previously.

Subregional Share call for projects

- Subregional Share funding targets by county has been updated.
- The eligibility table has been updated:
    - Air quality staging periods adjusted in accordance with the anticipated 2050 RTP update.
    - Regional BRT projects have been incorporated into the transit category.
    - Transit service must be fully defined within the application scope and is limited to a maximum of three years of DRCOG funding.
    - Safety and freight project location eligibility has expanded to include any project on the DRCOG Regional Roadway System.
- The criteria section has been updated to include a new section, in addition to updated weightings.
- In the Subregional Share process, county transportation forums currently have the option to have DRCOG score a stated maximum number of applications. The option for forums still exists for DRCOG to score, but the maximum applications per forum has been removed.

TIP development, adoption and revisions

- Additional emphasis has been requested by our federal partners to meet with all regional partners to finalize funding type assignments before the draft TIP is released for public comment.
- In the adoption process, it’s been noted that both the actions taken by RTC and the Board must be identical.

- The funding change threshold for administrative modifications verses amendments has increased from $5 million to $10 million.
- If DRCOG funding allocations have become overprogrammed since the TIP was adopted due to funding reductions, DRCOG will first use funding from any cancelled projects to make the entire program whole again, before allowing the returned funds to be reprogrammed.
- Language has been added outlining the process to take place when CDOT STIP actions are necessary before TIP actions take place.
- Any newly identified revenues will first be used by DRCOG to reverse any previous funding decreases.

Appendixes

- Appendix A, RTD and CDOT selection process, has been removed.
- Appendix B (now proposed to be Appendix A), eligible projects by funding source, has been reviewed for federal eligibility changes since the last calls for projects.
- Appendix C (now proposed to be Appendix B), eligible 2050 RTP projects, has been updated.
- Appendix D (now proposed to be Appendix C), base TIP application questions, has been updated.