



2004 Target Formula Re-evaluation

Area Transportation Partnership Interviews

2004



STIP Target Formula History

- **Pre 1996**
 - Formula was based predominately on VMT by County with some small incremental factors

- **1996**
 - Current formula, consists of six variables that are intended to capture the Federal Aid System size and usage

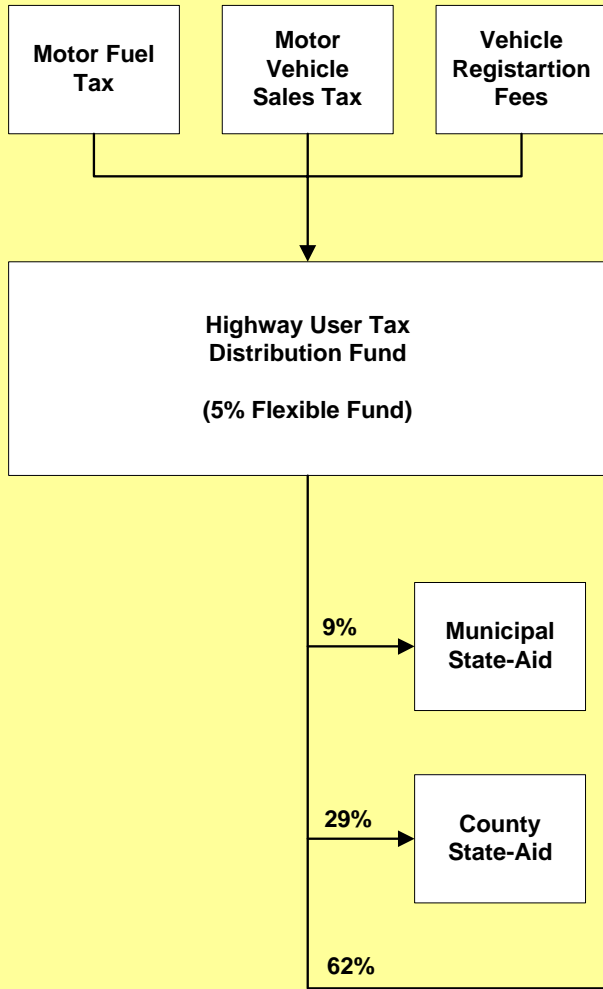
 - The formula was first used to define the FY '00 – FY '01 Targets
 - FUTURE GROWTH – 1993 Demographic Forecast
 - All other variables reflected 1996 data

- **1998: Demographic forecast Updated in 1998**
 - The formula was updated to reflect the most current data and used for the FY '02 – FY '06 Targets

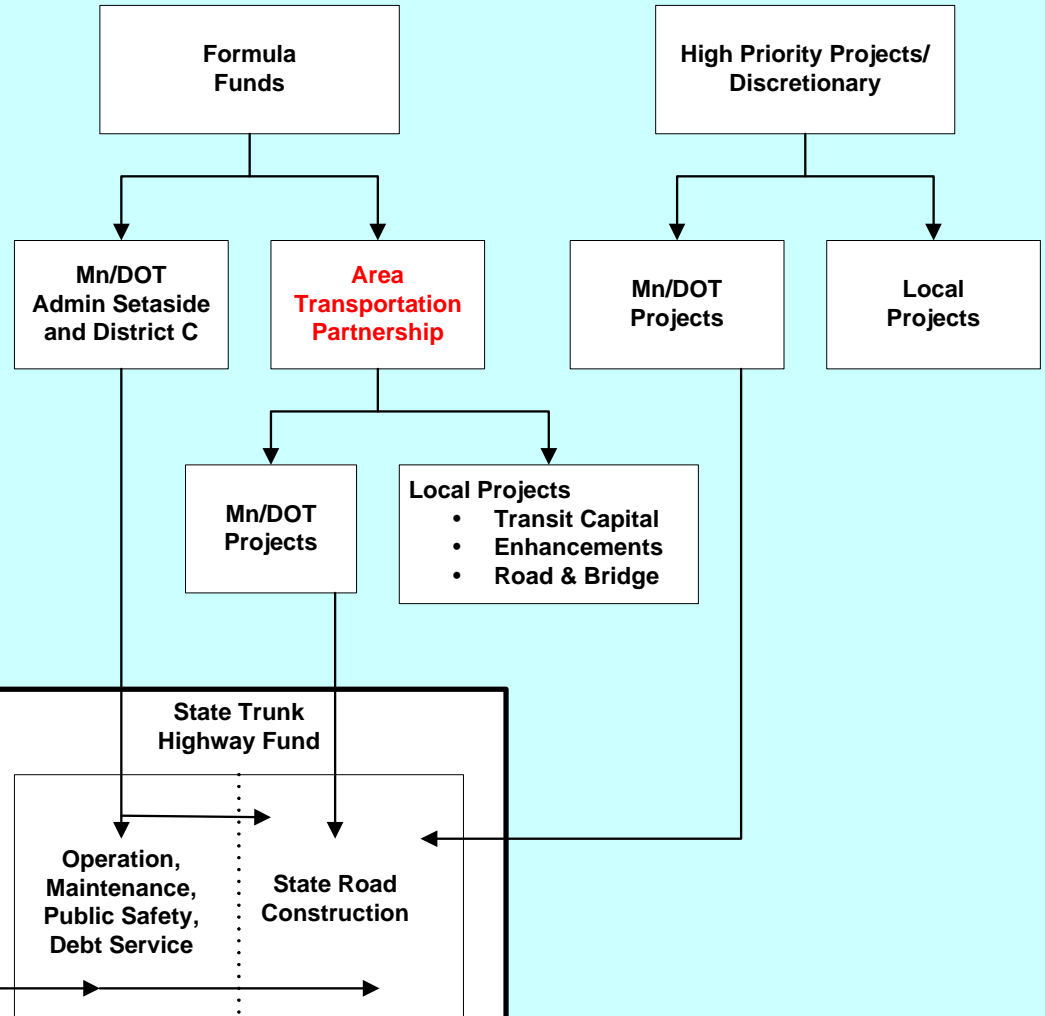
- **2002: New Demographic forecast for 2002**
 - Formula run with current data for all variables
 - Formula was not adopted by TPC

TRANSPORTATION FUNDING SOURCES

STATE \$



FEDERAL \$





Existing Target Formula

MEASURE		FACTOR	WEIGHT
System Size 40%		Bridge Area	10%
		Lanes Miles	25%
		Buses	5%
Usage 60%	Present	VMT	25%
		HCVMT	5%
	Future	Future Population	30%



STIP Target Comparison

ATP	FY '00 – FY '01 Target	FY '02 – FY '05 Target	Unadopted FY '06 Target Calculation
1	9.5%	9.6%	9.4%
2	5.6%	5.6%	5.5%
3	10.9%	11.4%	12.1%
4	6.6%	6.6%	6.6%
6	9.9%	9.9%	10.1%
7	7.4%	7.5%	7.4%
8	6.1%	6.0%	5.9%
Metro	44.0%	43.4%	43.0%



Changes in Policy Context since 1996

- Implementing Performance Management
- Established IRC System / Bottleneck Removal Plan
- Adopted new Statewide Transportation plan (2003); updating District Long-range Plans

Performance Measures Pyramid

Document

Statewide Transportation Plan

District/Metro Plans
and Modal Plans

Business Plans

Work Plans

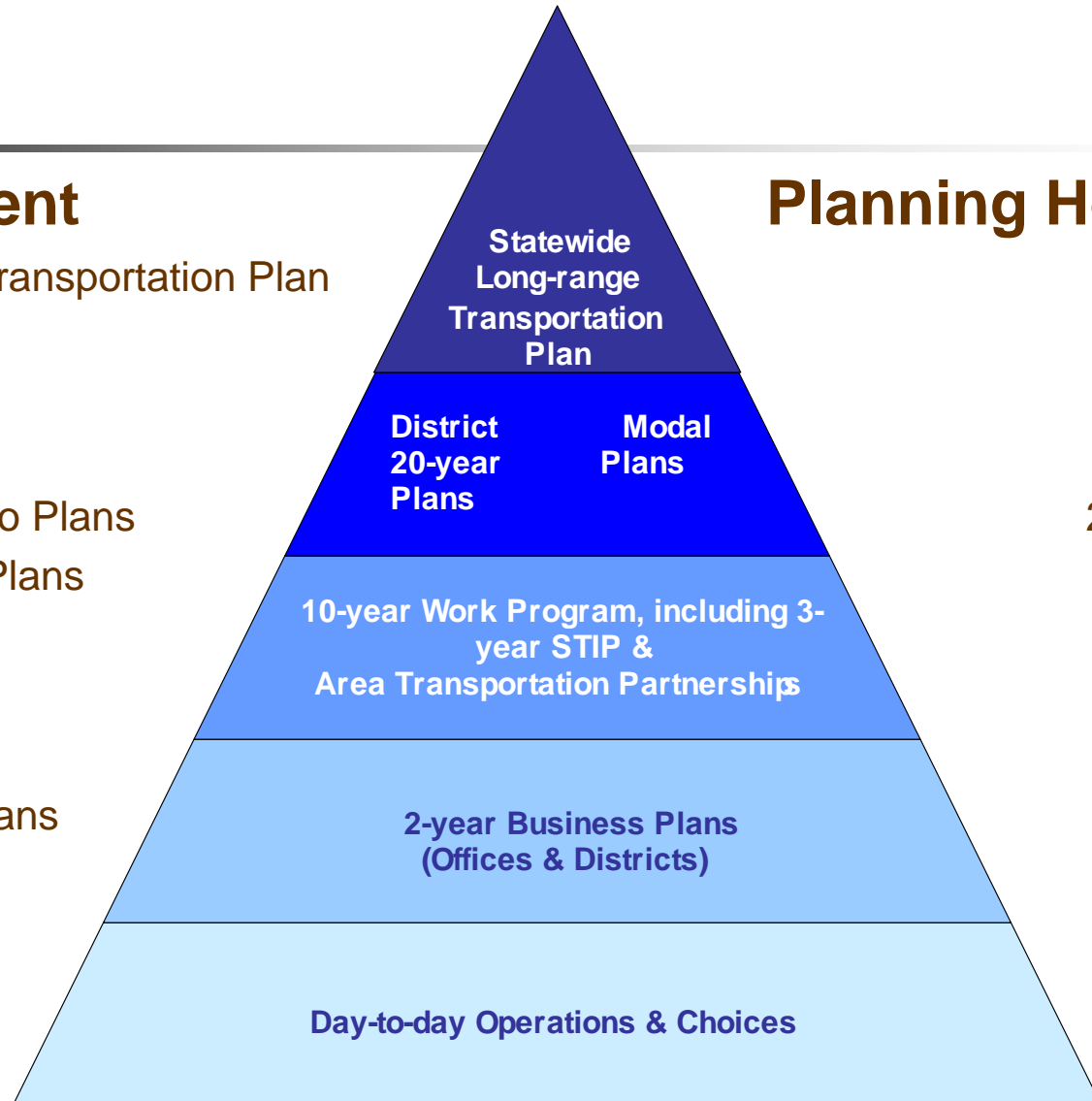
Planning Horizon

20 Years

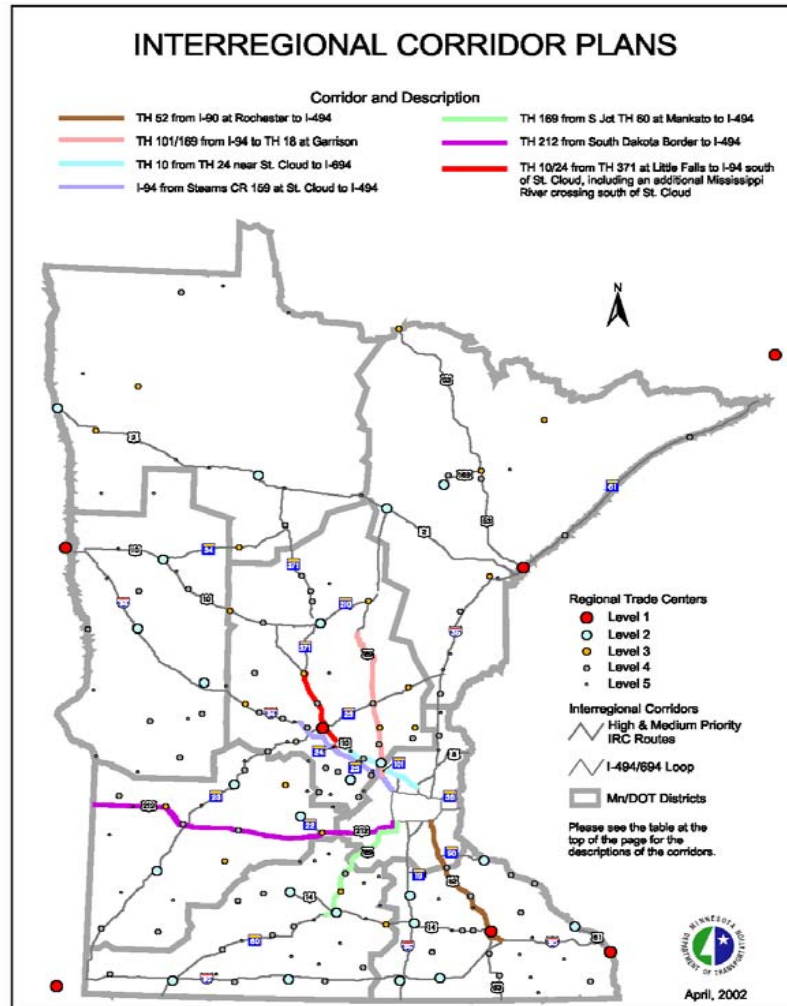
20+ Years

2 Years

less than
1 Year



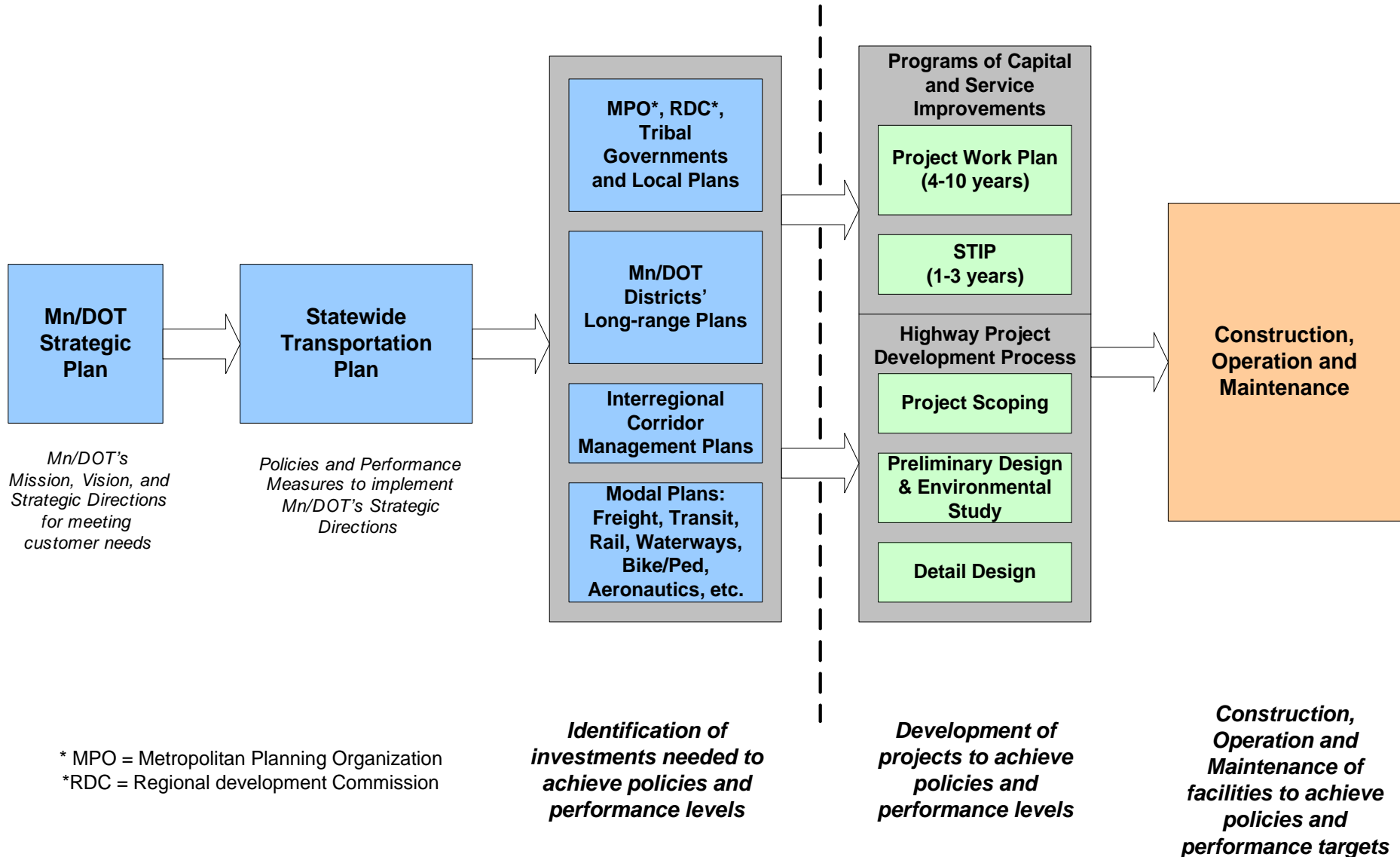
IRC System Established - 1999



Mn/DOT's Planning and Programming Process

Transportation Planning Process

Programming Process





Policy Overview

Strategic Direction	Safeguard What Exists	Make the Transportation Network Operate Better	Make Mn/DOT Work Better
Plan Policies	<ol style="list-style-type: none"> 1 Preserve Essential Elements of Existing Transportation Systems. 2 Support Land Use Decisions that Preserve Mobility and Enhance the Safety of Transportation Systems. 3 Effectively Manage the Operation of Existing Transportation Systems to Provide Maximum Service to Customers. 	<ol style="list-style-type: none"> 4 Provide Cost-effective Transportation Options for People and Freight. 5 Enhance Mobility in Interregional Transportation Corridors Linking Regional Trade Centers. 6 Enhance Mobility Within Major Regional Trade Centers. 7 Ensure the Safety and Security of the Transportation Systems and Their Users. 	<ol style="list-style-type: none"> 8 Continually Improve Mn/DOT's Internal Management and Program Delivery. 9 Inform, Involve and Educate All Potentially Affected Stakeholders in Transportation Plans and Investment Decision Processes. 10 Protect the Environment and Respect Community Values.



Additional TPC Issues

- Difficult for any District to fund mega projects such as budget buster bridges and major corridor improvements.
- Suballocating to local units of government divides available revenues into such small “pots”, reduces flexibility to solve problems.
- The target formula does not adequately relate to system performance – especially does not address congestion, mobility or safety.
- The formula was developed before the creation of the IRC system and the Bottleneck Removal plan, and so does not reflect these MnDOT strategic priorities.



Other Issues that may be addressed

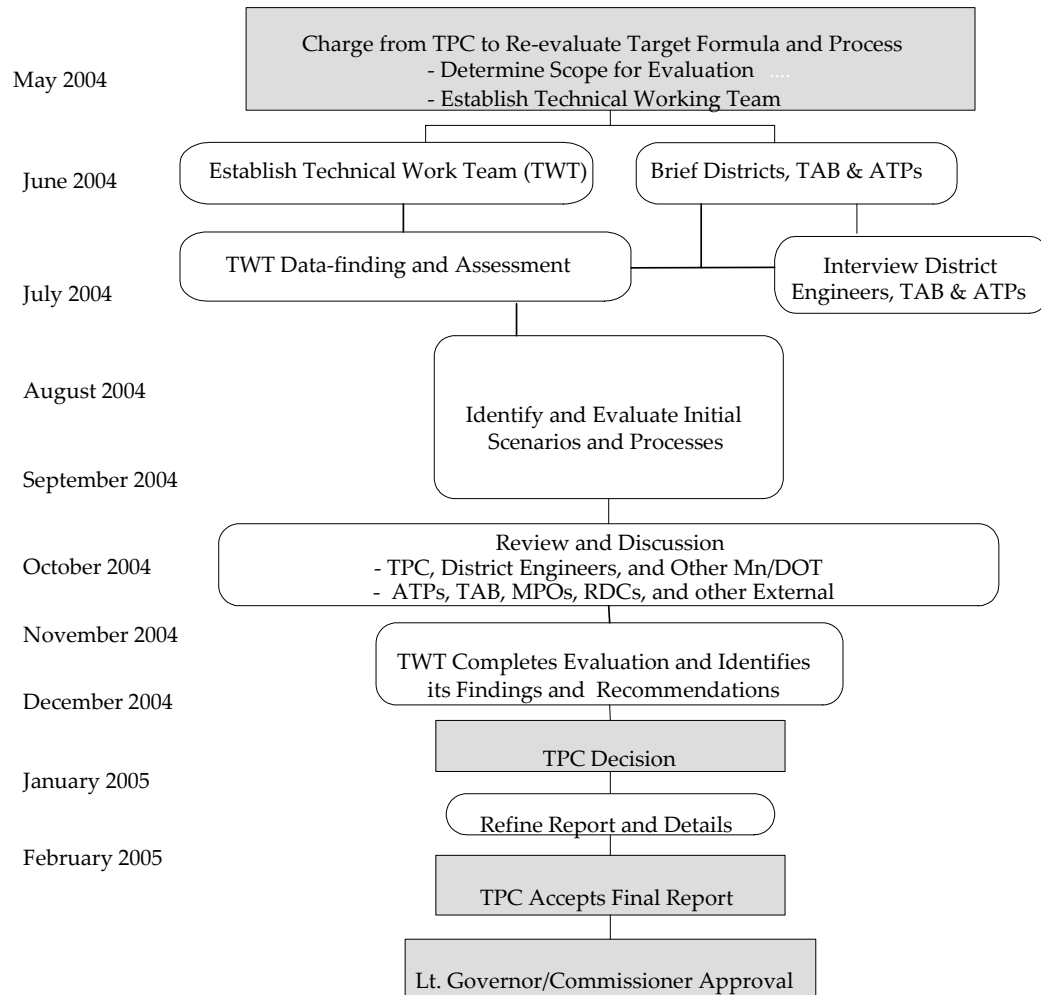
- Should there be different formulas for state funds and federal funds?
- No single consistent approach to or policies for prioritizing projects.
- Should a new formula apply only to new/increased funding?



Charge to Technical Work Team:

- Advise Mn/DOT's Transportation Program Committee (TPC) and help guide the comprehensive re-evaluation of the target formula
- Consider past trends and future statewide transportation needs
- Identify relevant issues and potential alternatives
- Evaluate various alternatives and scenarios for future application of the target formula and area transportation partnership process
- Identify findings of this re-evaluation and make recommendations to the TPC regarding update and revision of the target formula and/or area transportation partnership process.
- Meet monthly, beginning in June, 2004 and complete target formula re-evaluation in December of 2004

Target Formula Re-evaluation Process



Target Formula Re-evaluation Timeline

