APPENDIX E

Funding Options Technical Memorandum
Memorandum:

TO: Anne Sylvester

FROM: Raymond J. Bartlett

DATE: May 26, 2008

RE: Technical Memorandum # 2
City of Woodland, Washington—Potential Funding Options for Transportation Projects

In EFA’s the Final Financial Baseline Technical Memorandum (August 2007), we discussed funding mechanisms for transportation improvements in the State of Washington, and more specifically the City of Woodland. This second memorandum describes funding eligibility for Project Improvement Options, and outlines the funding process. At this time, specific recommendations have yet to be identified for the Woodland Transportation Infrastructure Plan (TISP), and a more comprehensive list of funding opportunities in relation to a project list must await the selection and general prioritization of improvements. This information will be provided in our third technical memorandum after project recommendations and relative priorities have been identified. At this time, we can only generally review possible sources and likelihood of funding for these projects.

FUNDING ELIGIBILITY
Transportation improvement projects must be listed in the Regional Transportation Plan (RTP) in order to be eligible for state and federal funding. The Cowlitz-Wahkiakum Council of Governments (CWCOG) and Southwest Washington Regional Transportation Planning Organization (SWRTPO) are in the process of developing a new RTP. CWCOG/SWRTPO will evaluate the proposed improvements and make the final selection of projects for the RTP priority list. Local and regional needs will be considered, and projects that serve the greatest number of people will rank higher than those serving smaller populations. Some projects must also be completed before others, and will therefore be higher on the priority list. The cost of improvements will also be considered.

FUNDING PROCESS
The City of Woodland will work with CWCOG to develop a final list of priorities for the TISP. Once projects are listed in the RTP, COGs, RTPOs, Economic Development Councils (EDCs), cities, ports, and other business organizations will present projects they consider to be of high priority to legislative and congressional representatives. The likelihood of a project being funded is enhanced if these organizations reach a consensus and lobby for the same projects.

Once federal funding is obligated, WSDOT makes a final selection of projects for funding within the next 6 years, and updates this list every 2 years. As projects near their funding window, they are
moved to a 2-year "short list" that is reviewed annually, and appropriations are either made to fund specific projects, or they are moved to the next 2-year short list.

FUNDING SOURCES
The proposed improvements involve federal, state and local roadways. Most projects involve more than one jurisdiction and will be eligible for funding from multiple sources. For example, the interchange at I-5 and SR 503 would involve improvements to I-5, SR 503 and local roads. Improvements directly involving I-5 would be federally funded. Improvements to SR 503 would likely be funded by a combination of state and federal monies.

Local improvements may be funded in part by federal grants through programs such as SAFETEA and Community Development Block Grants (CDBG). The State also assists in financing local capital improvements. In addition to a variety of grant programs, loans are available through the Trust Fund of the Public Works Board and the Community Economic Revitalization Board’s (CERB) LIFT program. The City may also consider forming a Transportation Benefit District—alone or jointly with the County—to enable it to impose taxes and fees to fund local improvements. Other local funding options include developer mitigation, municipal bonds and other long-term financing; however, long-term financing would likely be cost-prohibitive for Woodland.

SUMMARY
Listing in a Regional Transportation Plan may provide eligibility for transportation improvements, but it does not determine whether a project will be funded. Projects must be supported by a broad cross-section of the community to be placed on the State’s priority list. Most of the Project Improvement Options for Woodland appear to be long-term projects that will need financing beyond the State’s 6-year list. Additionally, future federal and state funding is in flux as Congress and the State Legislature change funding priorities. It is certain that Woodland’s improvement projects must meet the highest eligibility criteria and receive the support of local, regional and state representatives to receive funding.