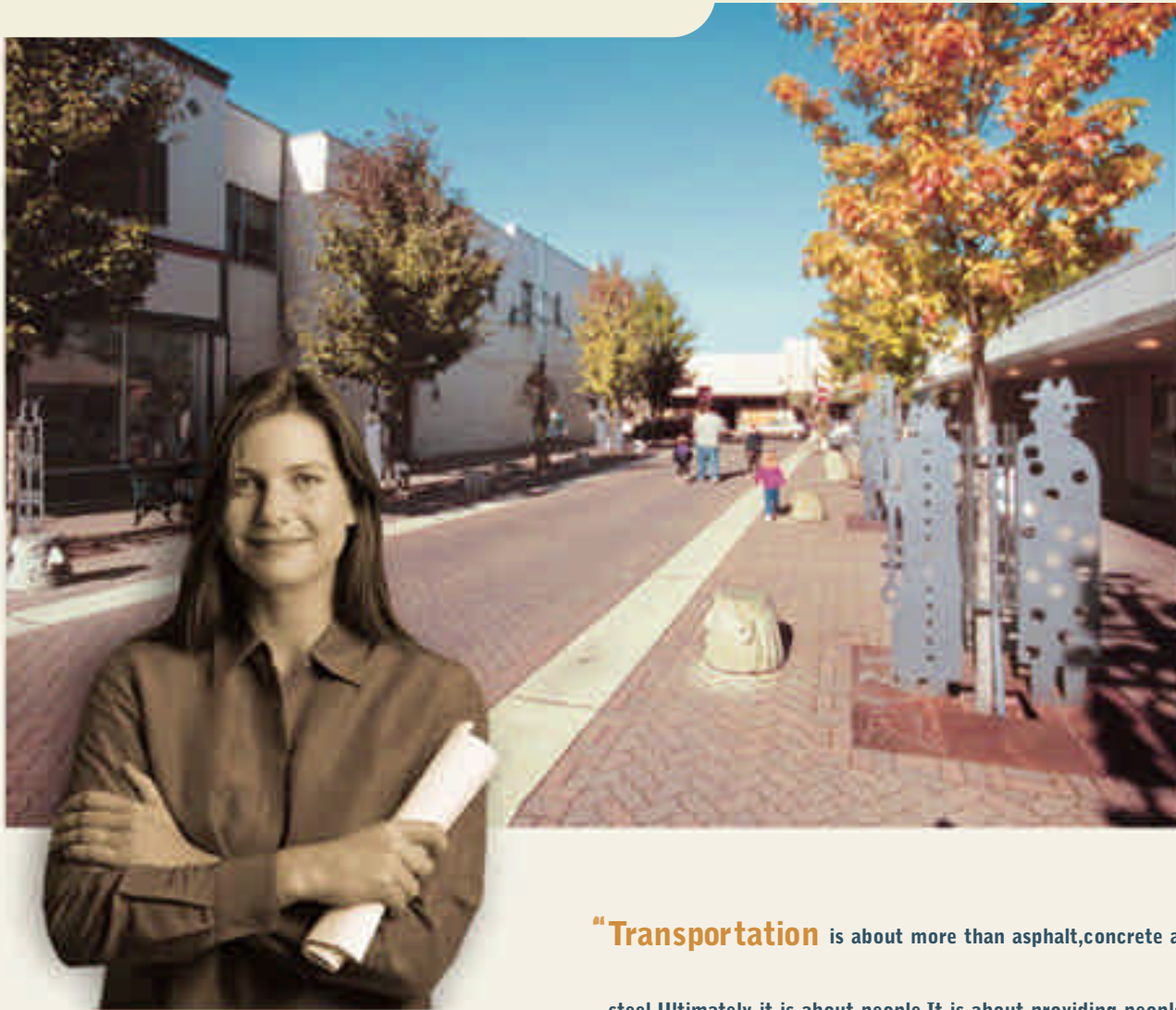


A Guide to **Transportation** Enhancements



“Transportation is about more than asphalt, concrete and steel. Ultimately it is about people. It is about providing people with the opportunity for a safer, happier and more fulfilling life.”

—Rodney Slater, U.S. Secretary of Transportation





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Cover photo: Local pedestrian improvements such as widened sidewalks with corner bulb-outs and artist-designed street furniture are a contributing feature to a newly urban downtown. An increasingly accessible and lively downtown nature is being born out of its immediate proximity to a bus transfer hub, a 17-mile trail and—in time—a regional rail station. Local Improvement Districts were used to generate the local match for this project’s federal Transportation Enhancements (TE) award. The Auburn, WA Arts Commission funded the artwork (see page 26).

Enhancing Your Community for the 21st Century

MORE THAN ASPHALT, CONCRETE AND STEEL

The way we design and build our neighborhoods, cities and regions affects whether growth enhances our quality of life. The transportation community for many years has focused on development of an interstate system for the efficient movement of goods, people and services. Our highways offer unprecedented mobility benefits. But growing concerns about air quality, open space and traffic congestion led Congress to create several programs through legislation in the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA). These programs broaden the federal focus on transportation from building highways to funding tied to smarter planning requirements that ensure communities are more livable. By fostering places to live and work that enhance a sense of well being, the federal focus on transportation increasingly considers how to support American communities. At the center of this thinking about transportation, growth and quality of life is the Transportation Enhancements (TE) program.

To help communities attain social, cultural, aesthetic and environmental goals, every state must reserve at least 10 percent of its surface transportation funds for designated transportation enhancements activities. Under ISTEA, Congress made \$2.8 billion in TE funds available to states through the Federal Highway Administration (FHWA). With the Transportation Equity Act for the 21st Century (TEA-21), Congress reaffirmed its commitment to enhancing communities by providing an additional \$3.6 billion.

Since 1991, more than \$2.4 billion has been invested around the country. The federal provision fosters more choices for travel by providing funding for sidewalks, bike lanes and the conversion to trails of abandoned railroad rights-of-way. Communities may also use the program to revitalize local and regional economies by restoring historic buildings, renovating streetscapes or providing transportation museums and visitor centers. Many also use the program to acquire, restore and preserve scenic or historic areas and ensure cleaner water with the treatment of stormwater run-off from roadways. As the number of TE projects rapidly approaches 10,000 it is clear that leaders, citizens and local governments want more from their transportation system.

Hallmarks of TE

- ▶ benefit communities by preserving the natural and human environment
- ▶ improve the transportation experience by strengthening multi-modal systems
- ▶ increase partnerships between state and local agencies
- ▶ strengthen the public role in local and state transportation planning

In 1991 when this program was new, there was no set method for developing TE projects. Implementing TE programs was a challenge to federal, state and local partners. State programs have developed since then and there

is more information about how this program works. We developed the guide to share that information. It is a road map for finding your way around the TE process, designed to help you overcome any challenges that you may encounter. We start with tips for meeting major requirements of the federal provision, continue with a discussion of seven state program characteristics and different approaches towards project application and management, and follow with an explanation of how to get a project on the ground, from start to finish. The 21 case studies, most of them nominated by project sponsors, provide examples of ways to plan, manage and finance eligible projects. FHWA sponsored this publication to inspire you, to encourage you to undertake a TE project in your community and to provide you with the know-how to finish it successfully.

LINKING FEDERAL FUNDS TO COMMUNITY GOALS

Through 2003, the federal government will provide at least \$620 million in TE funds to state transportation agencies each year. These agencies are required only to set aside these funds, not commit them. Citizens must get involved to generate ideas and ensure the use of these funds for Transportation Enhancements. In all 50 states, the program relies on communities and local governments to propose projects that improve local quality of life. State transportation agencies select from these local proposals according to regional and state planning and funding priorities. Applicants for selected projects become project sponsors and work with the TE coordinators at appropriate state and federal transportation agencies until projects are completed. This approach to transportation planning allows communities a strong say in how transportation tax dollars are spent in their region (see **FIGURE 1**). About 15 cents of every dollar spent on gasoline and vehicle taxes flows into the highway trust fund. Money from this fund goes to the states as “federal aid” for highway programs. One of these programs is the surface transportation program, which allows

states to use highway funds for bicycle, pedestrian and transit projects. From this program, states are required to set funds aside for TE.

To strengthen partnerships between state and regional agencies and increase the public role in transportation planning, Congress deliberately left the details of TE programs to the states. FHWA, the agency responsible for interpreting the law, also has issued guidance on how states may implement TE. Since the program was created in 1991 there has been experimentation, exchange and learning. The federal government has strongly encouraged state agencies to work closely with project sponsors—often local governments working with citizens' groups who want to build TE projects. The challenges of balancing new roles among federal, state and local partners are very real. Yet as the case studies show, the opportunities are tremendous and the benefits significant.

Meeting Federal Requirements for Eligibility

If you want to sponsor a TE project in your community, you must know the federal and state rules for using federal aid funds. The federal government provides states with interpretive guidance and ensures their compliance with all associated federal laws. As with other federal aid funding, the federal government typically pays for 80 percent of project costs. The project sponsor—a state, a local government or a non governmental organization—pays the balance. A TE project must provide public access. It may be a “stand-alone” project, such as the Absecon Lighthouse restoration in New Jersey (p 23), it may be an addition to a larger transportation facility, such as sidewalks along a highway in the Hinesburg Streetscape project (p 20). As the case studies illustrate, TE funds are available for all phases of projects, from planning and design to property acquisition, surveying, preliminary engineering,

Hinesburg Streetscape Project



construction and management. Projects may not be used for routine maintenance or standard environmental mitigation.

However, to be eligible for federal aid, a project must:

- ▶ be one of the 12 designated TE activities, and
- ▶ relate to the surface transportation system.

MATCHING YOUR PROJECT WITH TRANSPORTATION ENHANCEMENTS ACTIVITIES

As you begin to find your way through this process, start by matching your project with at least one of the 12 transportation enhancements activities specified in TEA-21. Develop TE projects that serve community needs and sound planning goals. Projects often combine multiple transportation enhancements activities, serve to strengthen local partnerships through fundraising, support multiple objectives or increase local and regional transportation access.

Most of the case studies illustrate this point. The Great Road project in Rhode Island (p 16) combines a historic building restoration with land acquisition and pathway construction. Tennessee's Morgan Square project (p 29) lined up \$12 million in public and private funds from five sources in addition to the TE funds. The Molly Brook Farm easement acquisition (p 22) preserves a scenic vista to benefit tourists traveling the Vermont countryside while preserving working agricultural land. The restored Western Maryland Railroad Station (p 21), now a transportation museum, is revitalizing its surroundings, and is a focal point along the 200-mile Allegheny Highlands Trail, which will one day help connect Washington, D.C. to Pittsburgh, PA.



FIGURE 1

The Lifecycle of an Enhancements Dollar



12 enhancements

The following list of the 12 Transportation Enhancements activities includes project examples that illustrate each activity.

This list is not comprehensive. Although the federal government provides guidance and ensures compliance, states are responsible for selecting projects. Contact your state TE coordinator to discuss specific eligibility practices in your state.

1. Pedestrian and bicycle facilities—New or reconstructed sidewalks, walkways or curb ramps; bike lane striping, wide paved shoulders, bike parking and bus racks; off-road trails; bike and pedestrian bridges and underpasses.

2. Pedestrian and bicycle safety and education activities—A new activity under TEA-21, generally expected to include programs designed to encourage walking and bicycling.

3. Acquisition of scenic or historic easements and sites—Acquisition of scenic land easements, vistas and landscapes; purchase of buildings in historic districts or historic properties; preservation of farmland.

4. Scenic or historic highway programs including tourist and welcome centers—Construction of turnouts and overlooks; visitor centers and viewing areas; designation signs and markers.

5. Landscaping and scenic beautification—Improvements such as street furniture, lighting, public art and landscaping along streets, historic highways, trails and interstates, waterfronts and gateways.

6. Historic preservation—Preservation of buildings and facades in historic districts; restoration and reuse of historic buildings for transportation-related purposes; access improvements to historic sites and buildings.

7. Rehabilitation and operation of historic transportation buildings, structures or facilities—Restoration of railroad depots, bus stations and lighthouses; rehabilitation of rail trestles, tunnels and bridges.

8. Conversion of abandoned railway corridors to trails—Acquiring railroad rights-of-way; planning, designing and constructing multi-use trails; developing rail-with-trail projects; purchasing unused railroad property for reuse.

9. Control and removal of outdoor advertising—Billboard inventories or removal of illegal and nonconforming billboards.

10. Archaeological planning & research—Research, preservation planning and interpretation; Developing interpretive signs, exhibits and guides; inventories and surveys.

11. Environmental mitigation of runoff pollution and provision of wildlife connectivity—Runoff pollution studies; soil erosion controls; detention and sediment basins; river clean-ups; wildlife underpasses.

12. Establishment of transportation museums—A new activity under TEA-21, may include the conversion of railroad stations or historic properties to museums with transportation themes.

RELATING YOUR PROJECT TO TRANSPORTATION



Developing TE projects with a strong relationship to transportation is essential. The provision in TEA-21 reads, “transportation enhancement activities means, with respect to any project or the area served by the project, any of the following activities if such activity relates to surface transportation...” Then the law defines the 12 eligible transportation enhancements activities. See page 3 for summarized definitions and examples of eligible activities. A proposed TE project must demonstrate a relationship to transportation, and more specifically with surface transportation, and must clearly support this relationship in the project application.

The law also refers to a transportation project or the area served by a transportation project. If a highway project is involved, the TE activity may have a direct relationship to that project. For example, if the pollution caused by stormwater runoff from an existing highway contaminates an adjacent water resource, and a TE application includes a proposal to mitigate the pollution, then a clear relationship to the surface transportation system exists.

Given the nature of the list of eligible activities, a proposed TE activity does not have to be associated with a specific highway project to be eligible for funding. Case study exam-

ples which illustrate this point include the rehabilitation of a historic train structure such as the Tampa Union Station (p 12), the provision of a bicycle or pedestrian path such as the Stevens Creek Trail (p 27), or the establishment of a transportation museum, such as Western Maryland Railroad station (p 21). In other words, the phrase “with respect to any project” may be helpful in establishing a transportation relationship, but is not the only way to establish that relationship.

Keep in mind that mere proximity to a highway facility alone is not sufficient to establish a relationship to surface transportation. For example, a historic barn that is adjacent to a particular highway facility may not be eligible for TE funds simply because of its location. Other factors related to this specific case would have to be taken into consideration and a relationship to surface transportation established. This position has been discussed in other TE related publications and continues under TEA-21. Conversely, a historic structure, such as the barn in the above example, should not be disqualified from consideration because it is not adjacent to a particular federal aid facility.

Additional discussion, beyond proximity, is needed in the TE project proposal to establish the relationship to transportation. If you have questions about eligibility, you should discuss them with your state TE coordinator. Where questions arise, closer coordination with the FHWA division office in your state may be helpful.

Your project does not have to provide a past or current transportation function to qualify as an eligible TE activity. For example, a scenic or historic site may have a relationship to transportation but not function as a transportation facility. The function of the proposed facility can be a factor, but the absence of that factor should not automatically preclude consideration for possible funding.

Our case studies will give you a better idea of many of the ways TE activities relate to surface transportation.

SETTING YOUR SIGHTS ABOVE AND BEYOND



Transportation enhancements funds may not be used for maintenance, routine highway improvements or required environmental mitigation. Your TE project must be a special or additional activity not normally required on a highway or transportation project. Ask your state TE coordinator what is special or additional in your state. As the case studies illustrate, the program requires creativity and innovation in planning, design and partnership development. Look to the case studies for ideas of how states have gone above and beyond the requirements. The Cultural Corridors program (p 10) in New Mexico commissions community-based public art to beautify its scenic and historical roadways. Project sponsors of Wyoming’s Wilson Centennial Trail (p 18) recycled top soil excavated from a scenic land acquisition as a base for the pathway. Vermont’s Town Green project (p 14) shows a community reclaiming land for what “could be” rather than limiting itself to “what is.”



Wilson Centennial Trail

TE IS A FLEXIBLE REIMBURSEMENT PROGRAM

The TE program is a federal aid reimbursement program, not a grant program. The federal government pays 80 percent of a TE project cost, that amount is called the **federal award**. In general, the project sponsor pays the balance, and that amount is called the **local match**. Usually, the project sponsor pays the associated project costs and submits a reimbursement request to the state transportation agency, which submits it to FHWA. Reimbursable project costs vary from state to state but usually include:

- ▶ project feasibility, planning and engineering plans
- ▶ environmental reviews
- ▶ land acquisition
- ▶ construction.

Under TEA-21, Congress allows innovative financing of TE projects, which are exceptions to standard federal aid requirements. With the **advance payment option**, states may establish a process with FHWA to obtain payment in advance rather than reimburse project sponsors after they have paid the contractors. Other innovations under TEA-21 allow states to:

- ▶ use federal funding partners to provide the local match
- ▶ accept in-kind donations of materials, services and private cash for the local match
- ▶ calculate the local match by a project, multiple projects or the entire TE program
- ▶ fund 100 percent of a project, if the above provisions apply.

Also new in TEA-21 is a provision encouraging states to enter into contracts or cooperative agreements with **youth conservation corps programs** to implement TE projects. This allows the TE program to meet more community needs by encouraging job training for youth and young adults to carry out TE project implementation.

These innovations serve as reminders that federal aid is becoming a more flexible reimbursement program. Talk with your TE coordinator if you want to use them. States employ these streamlined cost-sharing techniques at their discretion; perhaps state staff would be willing to try something new for your project.

Learning Your Way Around State Transportation Agencies

Though the federal statute describes eligible categories for the TE program with interpretive guidance from FHWA, state transportation agencies have most of the responsibility for the TE program. Each state devises its own application and selection process, establishes selection criteria and adopts methods to streamline the development and management of projects. While no two TE state programs are exactly alike, each state program has seven characteristics you will want to be familiar with:

1) eligibility, 2) selection criteria, 3) selection cycle, 4) advisory committees, 5) project implementation, 6) innovative financing and 7) streamlined project development. These features will help you comprehend the particulars of your state program. Refer to the case studies for more elaboration on these characteristics. Use them to discuss the details of your state program with your state coordinator.

STATE TE PROGRAMS: VARIATIONS ON A THEME



From state to state there are several consistent TE program features. Every state has a unique funding level for

Transportation Enhancements through 2003, based on a formula set in TEA-21. Each state has a TE coordinator who administers the program with oversight by a FHWA division staff person. State transportation agencies require a public entity with taxing authority to sponsor or endorse an applicant's project. In

Great Road Historic District



all state programs, any phase of a project that uses TE funds must comply with all state and federal requirements for developing and contracting transportation projects. Beyond these aspects state approaches to programs vary. It is important to know exactly what your state does.

Your first step should be to understand your state program practices regarding **eligibility** as not all states consider every transportation enhancements activity to be eligible for funding. Some states combine the 12 categories of activities in fewer eligible groups such as nonmotorized transportation, scenic beautification, historic preservation and environmental mitigation. Other states contain additional provisions that do not allow funding of certain categories and projects.

Most states use **selection criteria** as decision-making tools. Some states screen for minimum or maximum award amounts per project or per sponsor during a given funding cycle. Many states prefer or require a local "overmatch" of more than 20 percent. Other states provide the 20 percent local match but also use additional local funds; this was the case for the Great Road Historic District (p 16) in Lincoln, Rhode Island. To ensure projects contribute to local priorities and are feasible, states may use formal factors to score or rank applications. States also have different **selection cycles**. Some evaluate TE projects continuously, while others review and select projects quarterly, annually or biennially.

Your chances of success as an applicant are improved if you know more about the

advisory committee in your state. Most states have committees but their duties, composition and appointment vary. Governors or state agencies may appoint advisors. Some advisors represent non governmental organizations or a variety of state agencies.

Advisory committee duties run the gamut from reviewing and evaluating project applications, to setting policy, to giving final approval for selected projects. Many states also involve their metropolitan planning organizations and rural districts in the selection process, and a handful of states delegate the selection process to a regional advisory committee.

States also vary widely on **project implementation**. Costs or phases reimbursable in one state may not be in another. Also, some states will fund only certain phases such as construction, or they do not fund specific phases, such as preliminary design, or particular costs such as utility relocation. **Innovative financing** is another program feature you will want to understand. Many states allow other agencies to contribute to the local match and also will accept private in-kind donations. Our case study of the Mineral Wells to Weatherford Rail-Trail project in Texas (p 11), for example, explains how an in-kind donation of land from the Union Pacific Railroad made the project possible.

All states develop projects to ensure that projects comply with federal laws intended to protect human and natural resources. FHWA offers **streamlined project development**, or flexibility, in some of the review requirements. Many states use at least one or two of these measures. Most states exempt certain TE



Mineral Wells to Weatherford Rail-Trail project

projects from the more rigorous environmental impact reviews. Some states streamline project management requirements. The Pedestrian Improvements project (p 26) in Auburn, Washington and New Jersey's Journal Square (p 17) are examples of state transportation agencies letting local governments manage their own TE projects. Streamlining can simplify paperwork and shorten a project timeline. Refer to the glossary and pages 8 and 9 as well as the case studies for more information about relevant laws and streamlining measures.

DEVELOPING A SUCCESSFUL TE APPLICATION



Now that you may understand more about federal requirements and the basic characteristics of state programs, you may be ready to think in more detail about how to fund a project in your community. Keep in mind that not only is each state program different, but applying for TE funds is a competitive process. Learn as much as possible about your state program to smooth your way around any potential obstacles. We recommend that you: **1)** link your project to the transportation system, **2)** set and achieve fundraising goals for your local match, **3)** make your project consistent with local plans and **4)** promote your project to garner public and political support. As you move ahead, meet with key contacts in your local government. Solicit their advice and support to guide your project through the regional planning process. Expect the application process to take six to 12 months.

MAKING THE TRANSPORTATION LINK

In your application, present evidence showing how your project improves culture, aesthetics, the environment and the quality of life and will enhance the surface transportation system. By describing these benefits, you will help transportation planners to recognize what your community values. Maps and data are useful tools. Depict how your project enhances access to the local and regional transportation networks. Map your project



Knowing what questions to ask

Here are some useful questions to ask your state TE coordinator. Dial 1-888-388-NTEC if you need your state program number.

- ▶ How well does my project fit one or more of the TE activities?
- ▶ Does this project relate to the surface transportation system?
- ▶ Do you have a copy of the application guidelines?
- ▶ What are the deadlines?
- ▶ Do you offer any TE workshops or seminars?
- ▶ What is the total state budget available for the next TE funding cycle?
- ▶ Does our state use any of the innovative financing measures?
- ▶ Do you have a copy of the regional and state transportation improvement plans?
- ▶ Does our state have an advisory committee? Who are the members?
- ▶ Do you have examples of successful TE applications from previous cycles?

site as a destination, if applicable, and relate it to other area destinations. Use relevant data to demonstrate potential benefits. Cite projections of population, tourism activity or growth indicators. Support the value of conservation and preservation projects with resource inventories for the project area. To show the benefit of nonmotorized travel, cite comparable before and after studies or collect data.

Your project has a better chance if it:

- ▶ exceeds local match requirements
- ▶ demonstrates strong local support
- ▶ combines enhancements activities
- ▶ demonstrates compatibility with existing plans
- ▶ is well-scoped to meet a need or provide a benefit
- ▶ has a realistic schedule and cost estimate, including contingencies.

SETTING REQUESTS FOR PROJECT FUNDS

Be prepared to finance at least 20 percent of your project cost, but realize that states have considerable latitude. Consider the total annual state budget for TE. Note your state's local match requirements. Double check all the financing and cost sharing innovations that your state uses. These measures may affect your project scope, cost and local match requirement, which also affect your fundraising strategy. If necessary, divide a large project into smaller phases, as Grand Rapids is doing with its ongoing Ionia Avenue Restoration project (p 13).

Be sure your cost estimate accounts for contingencies, reflects inflation during the time to complete it and the design standards required in your state, and that it covers the cost of compliance. Estimates based on engineering and planning efforts may be more reliable.

States will not reimburse money spent on a project before it approves an application, nor will it count these expenses toward your local match. Sponsors may be responsible for cost overruns.

RELATING YOUR PROJECT TO EXISTING PLANS

Because all federal transportation funds administered by FHWA flow through state agencies, the state selects most TE projects, usually in competition with other proposed TE projects. Learn how your region and state staff and advisors evaluate proposals: you must address their criteria to be successful. Review your state program guidelines carefully and refer to your state's transportation planning documents. These documents are the 20-year Long-Range Plan (LRP) for transportation and the State Transportation Improvement Plan (STIP). If your proposed project is in an urbanized area, you may also refer to the Transportation Improvement Plan (TIP) prepared by the regional metropolitan planning organization. These documents provide the local context and priorities that your project

must support. Priorities may include whether a project reduces the number of miles people travel in motorized vehicles, encourages compact land development or increases community livability. More basic concerns may include whether a project provides for a long-term maintenance commitment, has obtained right-of-way clearance and ensures alternative funding options.

PROMOTING YOUR PROJECT TO RALLY SUPPORT

The broader the support you develop among professionals, elected officials and residents, the more likely your proposed project will be successful. Seek the early involvement and endorsement of your metropolitan planning organization, or equivalent. Conduct and document public meetings with area residents. Inform the media of your project and invite them to your site and to public events. Obtain as many letters of support as possible from both local and statewide groups, elected officials and advisory boards. Find out who decides the final project approval and inform them about your project. You may wish to use all promotions as an opportunity to raise additional contributions for the local match.

WORKING AS A PROJECT SPONSOR TO IMPLEMENT YOUR PROJECT

If the state approves a project, the sponsor may become responsible for implementing it. Completing a project involves working very closely with your state and federal TE coordinators. Count on at least a year or two of work and a considerable effort on your part. Educating yourself and communicating effectively with agency professionals really pays off, as it is essential to understand the details of state and federal procedures. If you find information confusing, ask your TE coordinator for help. The more you know about project development the less likely you are to lose time, momentum or funding.

Sponsors must work with the state agency to ensure that their project meets applicable

requirements for environmental and historical protection, acquiring rights-of-way and procurement. Sponsors must obtain specific permits, certifications and clearances from the state agency to prove their project is in compliance. The sponsor and agency also must arrange to pay all costs at the start, or agree to use advance payments. Exactly who does what work will vary from state to state and project to project, and may be negotiated between the agency and sponsor.



Checklist for putting it all together

- ▶ Make sure to include all elements of the application the state requests
- ▶ Provide a clear statement demonstrating the transportation link
- ▶ Describe each transportation enhancements activity
- ▶ Define a scope of work and include preliminary studies, and land acquisition or construction
- ▶ Include a workplan with a timeline
- ▶ Reflect the cost of the scope of work in your budget
- ▶ Identify the source of the matching funds with a letter verifying their availability
- ▶ Explain how the community would benefit from the project
- ▶ Include letters of support, minutes from public meetings and newspaper clips about the project
- ▶ If available, include photographs of the site, preliminary sketches or plans
- ▶ Include a plan for project maintenance

Typical Project Development Process

All TE projects have several stages, which require time, effort and coordination. Depending on your project, these steps may be simple or complex and take more or less time. Transportation Enhancements, like other federal aid projects, must comply with laws developed to protect human, environmental and cultural resources. FHWA has developed streamlining to simplify current requirements, given the small-scale, environment-friendly and community-based nature of TE projects. We urge you to understand streamlining and encourage your state to use as many measures as possible in developing your TE project.

This section outlines major milestones of project development (see Figure 2). Bullets show when and what streamlining measures may be used to simplify the process. This is a typical example and specific procedures will vary from state to state and from project to project. While you can obtain a comprehensive packet of all FHWA guidance and streamlining information from NTEC, it is essential that you discuss any and all specifics, including average duration per step, with your state TE coordinator.

1. Confirm project parameters. Once the state has approved your project for funding, you will discuss a project agreement with state personnel. The project budget and application—the basis for the project agreement—reflect the total level of federal funding. At this time you may refine the scope of work. You then plan to select a consultant, and discuss compliance provisions. This also is the right time to request successful examples of procurement and bid documents and to identify and discuss all the measures to streamline project development your state will allow.

2. Sign an agreement. You establish a formal working relationship with your state agency when you sign a memo of understanding or agreement. As the sponsor, you agree to develop the project as described in the scope of work and according to state and federal regulations and procedures. Find out how your state gives authorization(s) to proceed and to incur reimbursable project costs.

3. Choose a project manager. This person often coordinates the agency, sponsor(s) and consultants and facilitates the process to clarify a project’s feasibility, costs, compliance and contracting. Depending on the state, a manager may be a consultant or a local or state government employee.

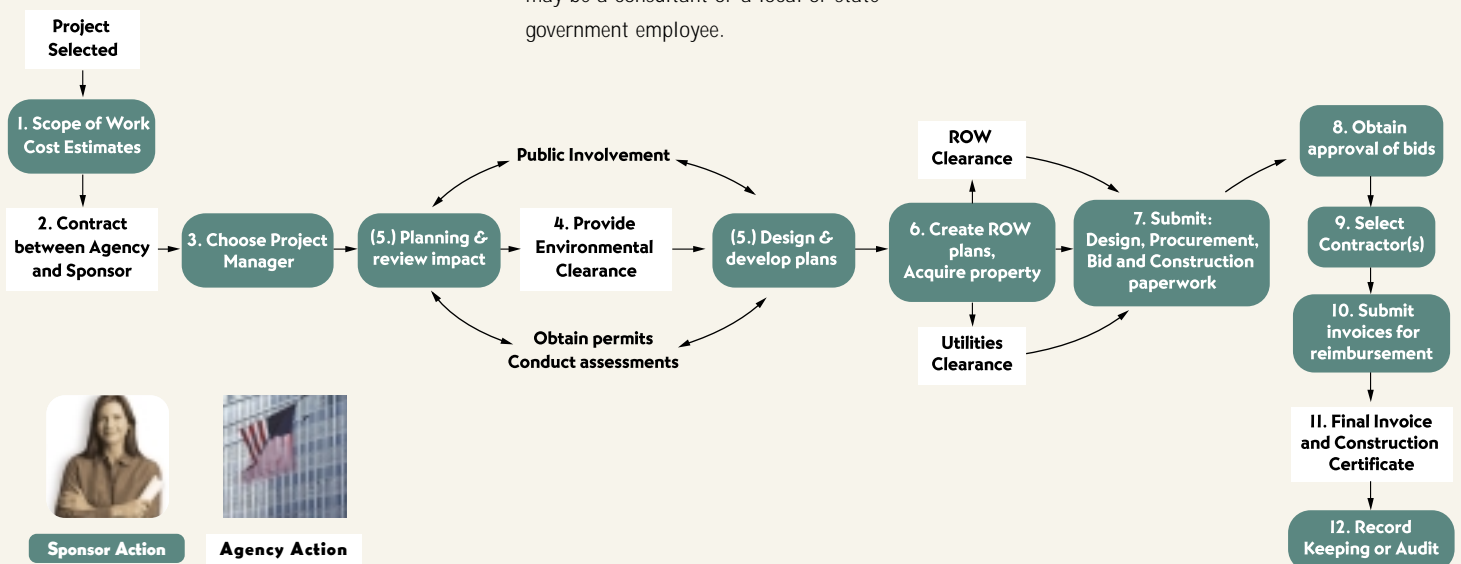
4. Obtain environmental clearance. If you plan to spend TE funds on construction, the project may face several environmental reviews. The level of review depends on the environmental impacts and the streamlining measures your agency uses. Project sponsors are responsible for initiating the reviews and supplying information to appropriate agencies. Agencies may approve your checklist and documentation, or they may visit the site, conduct tests or request more documentation.

- ▶ **Nationwide Programmatic Agreement.** This agreement helps agencies and sponsors hasten impact reviews and processing to satisfy Historic Preservation Act Section 106 requirements.
- ▶ **Applying Section 4(f).** This guidance lets states determine, whether rigorous reviews required in Sec 4(f) provisions do not apply to TE projects.
- ▶ **NEPA Requirements.** TE projects that do not have significant environmental impacts are “categorically excluded” from a federally mandated environmental review.

5. Plan and design the project. The process of completing an environmental document will affect the project design. The sponsor may assess resource impacts, hold public meetings and hearings on project planning and design and ensure the final design plan complies with state and federal codes.

6. Obtain clearance of rights-of-way. TE projects must provide public access, and sponsors must hold the rights to the real estate for the project by deed, lease, easement,

FIGURE 2



Source: Adapted from Vermont Agency of Transportation

license, agreement or resolution. The right-of-way process may include the purchase of land or right-of-way and utility clearance. If you plan to acquire the property, you must not make an offer to the property owner until after you have received your environmental clearance and conducted a federal appraisal.

- ▶ **Voluntary transactions under the Uniform Act.** If the property owner is willing to sell, the purchase of property can be simplified.
- ▶ **Organizations exempt from Uniform Act requirements.** Conservation organizations may use simplified requirements if they obtain environmental clearance before making an offer to purchase a property or do not act on behalf of the state.

7. Submit paperwork for design, procurement, bid and construction.

Guidelines for construction and non-construction projects may differ. Assemble your environmental clearance, final plans, permits, design certification and appropriate clearances. Although standards vary from state to state, you will need the agency's approval before you break ground. Agencies cannot increase sponsor funding, so your cost estimates must be accurate. Think about lower-cost alternatives and include these as "bid alternates."

8. Invite bids for projects. Procedures for procurement and bid invitations vary with the project scope, cost and the state TE coordinator. If all your bids are high then you may have to rebid.

- ▶ **Contracting and bidding under the Common Rule.** If TE projects are outside the highway right-of-way, states may skip federal requirements for competitive bidding and use state procurement practices.
- ▶ **Applying Davis-Bacon minimum-wage requirements.** For TE projects costing less than \$2,000 or not linked to federal aid right-of-way states may bypass prevailing wage payments. This allows agencies to use staff, volunteers or youth conservation corps.

9. Select contractor. After you have received bids, ask your TE coordinator for agreement

to award the contract to the low bidder, then sign a contract. The sponsor may perform this work or contract it out. Some states encourage or even require contractors to be on a state list of "prequalified" consultants who understand federal aid requirements.

10. Invoice completed work and receive reimbursement. During all phases, the sponsor must keep detailed records to claim reimbursement. In some states, the agency provides front-end financing for a project, including the sponsor's local match. Typically, as contractors complete work and submit the bills, the state agency reimburses at the percentage stated in the agreement, usually at 80 percent of actual project costs.

- ▶ **Advance payment option.** If your state establishes a process with FHWA, it can secure payment in advance rather than reimburse you after you have paid the local match. Expect the state to limit funds to amounts needed for prompt payment and to follow a payment schedule.

11. Obtain construction certificate. Your last invoice and report should include a certification to verify the project has been constructed as designed and approved, according to state and federal guidelines and requirements. This certification should follow construction but occur before you process the final invoices.

12. Record-keeping and audit. The audit requirements depend on the total federal funding. Be sure to keep good records, identifying the source and application of project funds, because you will need them. Only direct project costs are eligible. The state may require the sponsor organization's financial statements and may request a certified independent audit.

Celebrate your project and publicly thank all the decision makers for their support. Ribbon-cutting ceremonies with the media present can help keep support building for your project. Give elected officials the opportunity to bask in the publicity of a popular community project.

Putting the TE Program into Perspective

21 Case Studies for the 21st Century

As Rodney Slater, U.S. Secretary of Transportation, said in fall 1998: "Transportation is...about providing people with the opportunity for a safer, happier and more fulfilling life." Transportation Enhancements projects promise to bring this idea of opportunity into our day to day experience. Government *can* support communities that want to preserve their best qualities and grow in keeping with their best values. In our presentation of 21 case studies for the 21st century we demonstrate the idea of Transportation Enhancements in action around the nation.

Project sponsors nominated almost 50 case studies from 22 states, supplying the selection panel with a wealth of inspiring ideas and projects from which to choose the most illustrative projects. The criteria for inclusion in this guide were extensive; submissions had to distinguish themselves from other projects through originality in financing, partnership, community participation, project management, design or use of streamlining measures. The nominators had to show how those innovations benefit their community.

Only completed or nearly completed projects were chosen. The array of projects also had to work well together to create a representative picture of the TE program. The selected projects as a group had to show every TE activity, be urban, suburban and rural, have small and large amounts of funding and exhibit geographical equity.

The following case studies are thus highly representative—individually and as a whole—of the TE program. It is our hope that these stories will inspire you to build projects that enhance communities and the experience of traveling in the United States.

Ultimately, it is about people.

