



# Statewide Transportation Improvement Fund Program Guidebook

An Overview of Requirements, Advice, and Resources

JULY 2022

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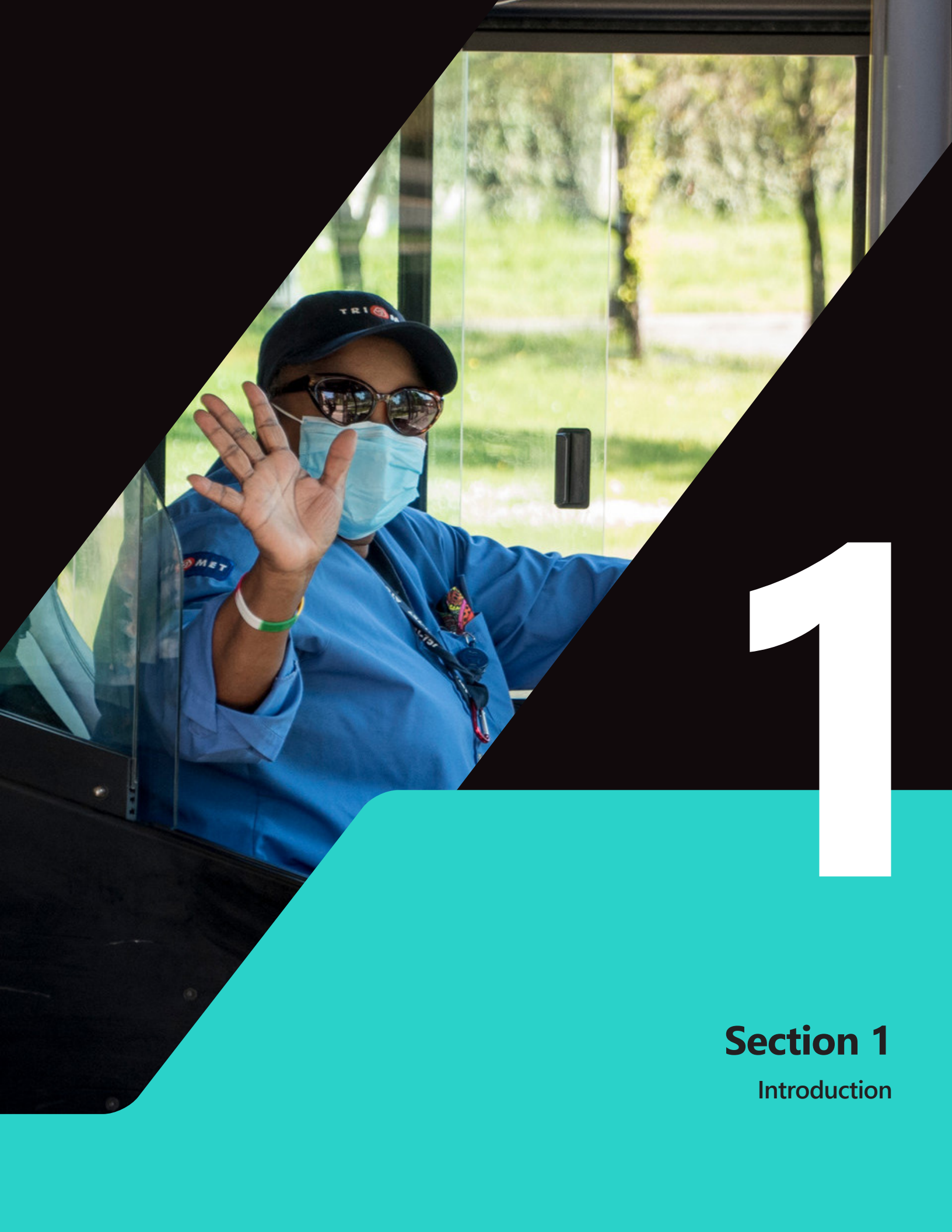
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# 1

## Section 1

Introduction

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## Section 1: Introduction

This Statewide Transportation Improvement Fund (STIF) Guidebook is intended to be a resource for STIF fund recipients, sub-recipients, their governing boards, advisory committees, and administrative staff. The STIF Guidebook is a summary of requirements and offers advice and resources to assist in managing the program.

The content in this guidebook is broken out by STIF program sections:

- [Section 2: STIF Formula Fund](#)
- [Section 3: STIF Discretionary Fund](#)
- [Section 4: Statewide Transit Network Program](#)

The individual sections contain specific information pertaining to each funding program. If a requirement is the same for more than one funding program, information about that requirement can be found in each relevant section. While the STIF Discretionary Fund and the Statewide Transit Network Program are implemented through one solicitation, the two programs address distinct ODOT priorities and differ slightly as to project and applicant eligibility.

This guidebook reinforces goals outlined in the [Strategic Action Plan \(SAP\)](#), a guiding document prepared by the Oregon Department of Transportation (ODOT) and the Oregon Transportation Commission. These goals are represented by the following symbols in this guidebook and the SAP.

## Strategic Action Plan Symbols:



ACCESSIBILITY,  
MOBILITY AND  
CLIMATE CHANGE



INNOVATIVE  
TECHNOLOGIES



PRESERVATION AND  
STEWARDSHIP



SAFETY



CLIMATE  
EQUITY



ENGAGEMENT

These symbols have been embedded throughout the guidebook to signal where the STIF program works to address those goals identified under the Equity and Modern Transportation System Priorities.

Lastly, a list of definitions used in this document are contained in Appendix A, and more information about the Oregon Administrative Rules guiding each program can be found in Appendix B.

### 1.1 Purpose of the STIF

The STIF program was established in Section 122 of House Bill 2017<sup>(1)</sup> to provide a dedicated source of funding for improving, maintaining, and expanding public transportation for all users. Every two years, public transportation funding is made available to support access to jobs, improve mobility, relieve congestion, and reduce greenhouse gas emission in Oregon.

Effective July 1, 2023, the STIF and Special Transportation Fund (STF) programs are consolidated and collectively known as the Statewide Transportation Improvement Fund. Key components of the STF program have been preserved in rule including as to investment priorities.

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<sup>(1)</sup> [House Bill 2017](#), also known as Keep Oregon Moving, was signed into law following the 2017 legislative session.

## 1.2 STIF Program Funding

As shown on Figure 1-1, the STIF program is funded by a combination of ID card fees, non-highway gas tax, cigarette tax, and payroll tax dollars.

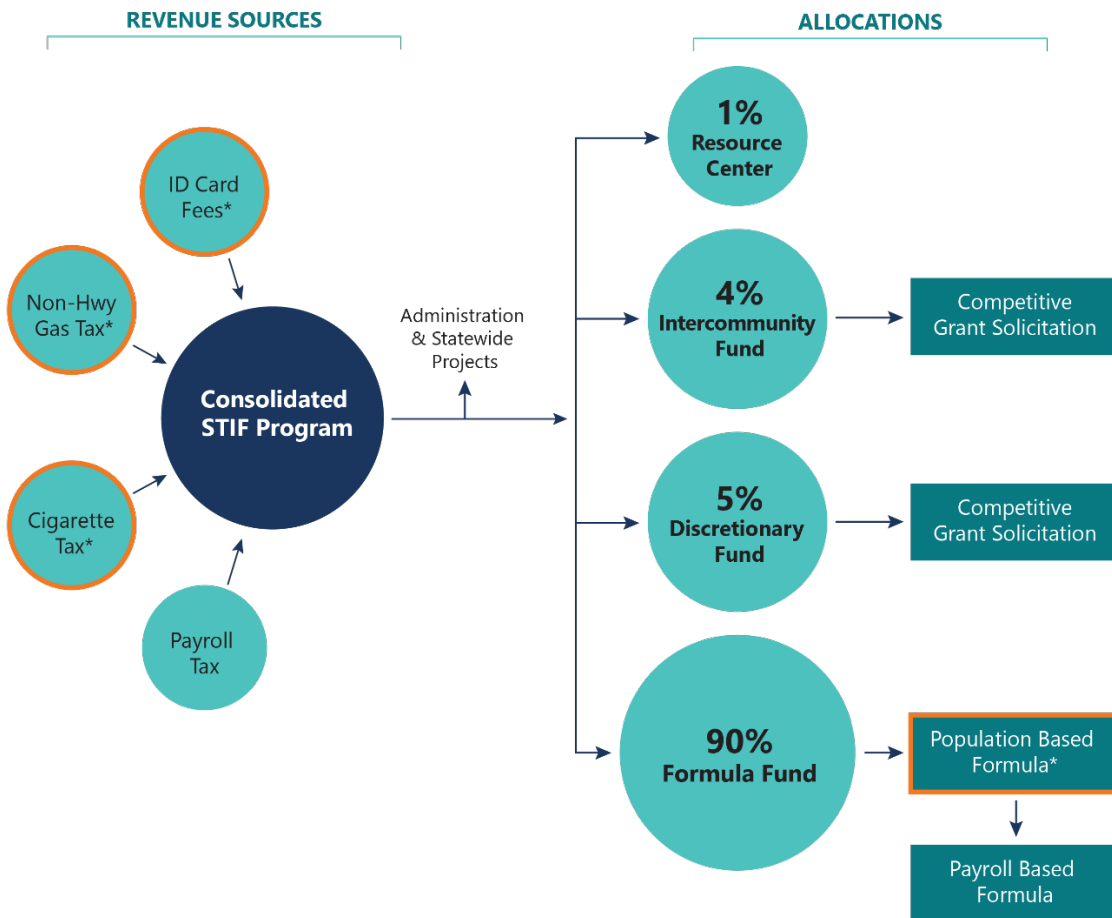
STIF revenues are allocated across four programs (Table 1-1):

- 90 percent to STIF Formula fund
  - ODOT disburses Formula funds to mass transit districts, transportation districts, or counties without either a mass transit or transportation district, and to federally recognized tribes based on formula allocation.
- 5 percent to STIF Discretionary fund
  - ODOT awards Discretionary funds to Public Transportation Service Providers based on a competitive grant process.
- 4 percent to STIF Intercommunity fund
  - ODOT awards Intercommunity funds to Public Transportation Service providers through the Statewide Transit Network program to improve public transportation between two or more communities based on a competitive grant process.
- 1 percent to the Public Transportation Technical Resource Center
  - ODOT staff provide tools and technical resources to transit providers using these funds



**The goal of the Public Transportation Technical Resource Center is to assist public transportation providers in rural areas with training, planning, and information technology.**

**Figure 1-1. STIF Program Funding and ODOT Funds Distribution**



*The items circled in orange with asterisks have been incorporated from the Special Transportation Fund program.*

**Table 1-1. STIF Program Comparison**

| Program Information         | STIF Formula Fund  | STIF Discretionary Fund   | Statewide Transit Network Program  |
|-----------------------------|--|---|--|
| <b>Program Overview</b>     | Funds used for public transportation purposes that expand and improve public transportation services for current and future transit users.   | Flexible fund source to: <sup>[a]</sup> <ul style="list-style-type: none"> <li>• Create new service routes.</li> <li>• Adopt enhanced forms of technology and data collection.</li> <li>• Maintain transit fleets in a state of good repair.</li> <li>• Advance the equity and sustainability of transportation.</li> </ul> | Funds used to: <ul style="list-style-type: none"> <li>• Improve public transportation between two or more communities</li> <li>• Improve transit provider connections to strengthen the Statewide Transit Network.</li> </ul>  |
| <b>Eligible Projects</b>    | <ul style="list-style-type: none"> <li>• Communications</li> <li>• Equipment Purchase</li> <li>• Facility Purchase</li> <li>• Vehicle Purchase</li> <li>• Signs/Shelters Purchase</li> <li>• Mobility Management</li> <li>• Operations</li> <li>• Planning</li> <li>• Preventive Maintenance</li> <li>• Program Reserve</li> <li>• Project Administration</li> </ul> | <ul style="list-style-type: none"> <li>• Vehicle Purchase</li> <li>• Equipment Purchase</li> <li>• Facility Purchase</li> <li>• Signs/Shelters Purchase</li> <li>• Planning</li> <li>• Project Administration</li> <li>• Operating</li> <li>• Preventive Maintenance</li> <li>• Mobility Management</li> </ul>              | <ul style="list-style-type: none"> <li>• Vehicle Purchase</li> <li>• Equipment Purchase</li> <li>• Facility Purchase</li> <li>• Signs/Shelters Purchase</li> <li>• Planning</li> <li>• Project Administration</li> <li>• Operating</li> <li>• Preventive Maintenance</li> <li>• Mobility Management</li> </ul> |
| <b>Eligible Applicants</b>  | Only Qualified Entities may submit a STIF Plan.<br><br>Public Transportation Service Providers, nonprofits, and private for-profits are eligible to receive Formula funding by submitting project proposals to their Qualified Entity for consideration.   | Public Transportation Service Providers   | Public Transportation Service Providers  |
| <b>Application Type</b>     | STIF Plan  | Online application form <sup>[b]</sup>  | Online application form  |
| <b>Funding Availability</b> | Once a Qualified Entity's STIF Plan is approved, they will receive STIF Formula funds from ODOT at the start of each quarter.  | Grant awards are made every two years following an open competitive decision-making process.  | Grant awards are made every two years following an open competitive decision-making process.   |
| <b>Match Requirements</b>   | None   | 20 percent for all project types (may be reduced to 10 percent if meets certain characteristics)  | STIF Intercommunity – 20 percent for all project types (may be reduced to 10 percent if meets certain characteristics)<br><br>Federal Transit Administration 5311(f) – 50 percent requirement for operations projects; 20 percent requirement for other project types  |

<sup>[a]</sup> Not a source of ongoing operations funding.

<sup>[b]</sup> Most projects will require submission of a Letter of Interest prior to submission of a formal application

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# 2



**Section 2**  
STIF Formula Fund

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## Section 2: STIF Formula Fund

### 2.1 Program Purpose

The STIF Formula fund receives 90 percent of all STIF revenues and is intended to expand and improve public transportation services for current and future transit users. STIF Formula funds may be used for public transportation purposes that support the effective planning, operation, and administration of public transportation programs.

### 2.2 How to Access STIF Formula Funds

**The STIF Plan is an electronic form created by ODOT, and it serves as the mechanism for accessing STIF Formula funds.** Each Qualified Entity shall adopt a written STIF Plan to establish a list of projects for public transportation located within the Qualified Entity's area of responsibility. STIF Plan requirements are listed in Oregon Administrative Rule (OAR) [732-042-0015](#). The STIF Plan may be accessed through the [Funding Opportunities](#) page under the STIF Formula fund tab.

**[View a map of Oregon's Qualified Entities.](#)**

A STIF Plan must be approved by the Qualified Entity's Governing Body before it is submitted to ODOT. STIF Plans must also be signed by a person with the authority to enter into legally binding agreements on behalf of the Qualified Entity. A charter or resolution typically specifies who has authority to enter into legally binding agreements.

ODOT Public Transportation Division staff review each submittal for completeness before facilitating a review of the STIF Plans by ODOT's Public Transportation Advisory Committee and the Oregon Transportation Commission. Upon Commission approval, the submitted STIF Plan functions in lieu of a grant agreement between the Qualified Entity and ODOT. Therefore, by submitting the STIF Plan, the Qualified Entity is committing to adhere to the applicable OARs and to deliver the project(s) specified in the STIF Plan. Qualified Entities are encouraged to provide the STIF Plan to their legal counsel for review prior to submittal to ODOT.

Qualified Entities are also encouraged to work with their regional transit coordinator in order to identify and address potential issues early in the STIF Plan development process. Qualified Entities may wish to schedule a pre-application review meeting with their regional transit coordinator in advance of the STIF Plan submittal deadline. Flexibility for resolving or submitting outstanding information in a STIF Plan will be handled on a case-by-case basis.

## 2.3 Eligible Applicants

### 2.3.1 Qualified Entities

**Only a Qualified Entity (QE) may submit a STIF Plan.** Qualified Entities are mass transit or transportation districts, counties in which no part of a mass transit or transportation district exists, and federally recognized tribes.

### 2.3.2 Sub-Recipients

**Sub-recipients are eligible to receive STIF Formula funding through their Qualified Entity by submitting project proposals for consideration.** Sub-recipients may be Public Transportation Service Providers, which include cities, counties, special districts, intergovernmental entities, or any other political subdivision or municipal or public corporation that provides public transportation services. A Qualified Entity could also be considered a Public Transportation Service Provider.

Other potential sub-recipients include nonprofits, private for-profits, or public entities. A Qualified Entity may wish to consult their regional transit coordinator on the options for establishing sub-recipient or contractor relationships for projects identified in the STIF Plan.

Two or more Qualified Entities may also jointly manage the STIF Formula funds disbursed to them. [OAR 732-040-0040](#) contains additional details pertaining to joint management of funds.

## 2.4 Eligible Projects

There is broad project eligibility within the STIF Formula fund program with one notable restriction: funds may not be used for light rail capital expenses but may be used for light rail operations expenses.

In the first funding cycle, the majority of funds were directed toward improving and expanding services throughout the state. In subsequent cycles, funds have also been used for service maintenance projects in order to sustain this growth.

Client-only transportation services are generally not eligible to receive STIF Formula funding if the proposed use of the money is to pay for services that are not open to the general public. Client-only providers participating in a planned and coordinated community transportation program, however, could be eligible for STIF Formula funding. The coordinated transportation system, when viewed in the big picture, would be open to the general public and marketed to the public as public transportation. The level of coordination and participation of client-only providers, and the amount of STIF Formula funds individual providers qualify for, would be associated with their levels of participation in the coordinated public transportation system. These types of projects will be evaluated on a case-by-case basis.

**Client-only transportation providers are both governmental and private agencies who offer transportation services to limited groups of individuals. Examples include a mental health department of a county that provides a limited transportation service to mental health clients, and a city agency operating a senior center with transportation services for seniors in the community. Nonprofit organizations and private businesses may also have client-only services. One example of this might be a social service agency offering transportation services to their clients only. In all examples, the transportation services are not open to the general public and, therefore, are not eligible for STIF Formula funding.**

Qualified Entities are permitted to carry funds forward, whether planned or unplanned. For example, a Qualified Entity may wish to carry funds forward:

- To maintain an operating reserve for STIF projects.
- To save for a large or multi-phased capital project.
- If revenues received exceeded actual expenditures.

STIF Formula funds are not intended to supplant local funding sources to maintain existing services. If a proposed project was previously funded by local dollars that are now being reallocated for non-transit purposes, this may result in denial of the funding request because it could be considered supplanting. Questions about a situation that might be considered supplanting should be discussed with the relevant regional transit coordinator before submitting the STIF Plan.

**Qualified Entities should consult with their regional transit coordinator when preparing a STIF Plan to help identify and prioritize projects. Regional transit coordinators are great resources for long-term project guidance.**

#### **2.4.1 Student Transportation Requirement**

On an annual basis, each Qualified Entity must allocate at least one percent of its estimated STIF Formula fund disbursement to a program(s) supporting student transportation. This information must be submitted as part of the Qualified Entity's STIF Plan, and must describe how the STIF Formula funds will provide student transit services for students in grades 9 through 12, if practicable. In this instance, a program is considered practicable when public transit services within the Qualified Entity's area of responsibility can feasibility and efficiently be used by students in grades 9 through 12. If a Qualified Entity determines that it is not practicable to identify such a project or to allocate funding for this purpose, it must specify in its STIF Plan the reason(s) for this determination.

#### **2.4.2 STIF Plan Development Process**

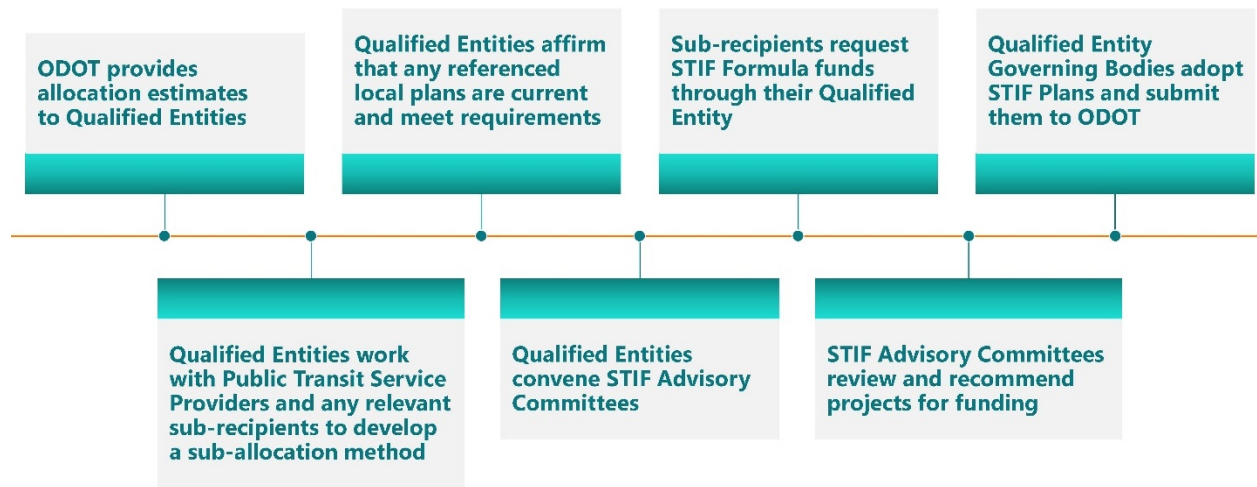
A STIF Plan must cover at least a biennium, but it may include up to two biennia subject to Oregon Transportation Commission approval. The STIF Plan period is the effective date specified in a Commission-approved STIF Plan through the end of the Qualified Entity's plan period.

A STIF Plan must address the transportation needs of people residing in or traveling into and out of the Qualified Entity's area of responsibility. This may be addressed by reviewing and summarizing the contents of a recent existing conditions analysis from a local plan, such as a regional transportation plan, transit development plan, transit master plan, or transportation system plan.

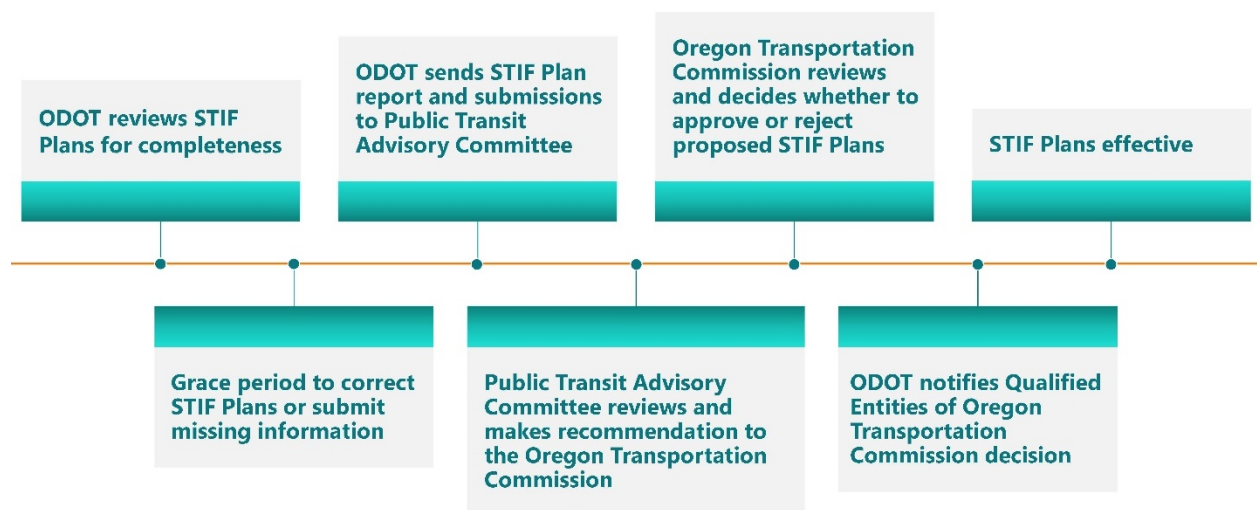
#### **2.4.3 Major Steps in STIF Plan Development and Approval**

The major steps in developing a STIF Plan and receiving Oregon Transportation Commission approval are outlined on Figures 2-1 and 2-2. This schedule should be used as a guide only as the order of events may vary depending on local process.

**Figure 2-1. STIF Plan Application Timeline**



**Figure 2-2. STIF Plan Approval Timeline**



#### 2.4.4 Appeals Process

If the Oregon Transportation Commission rejects a proposed STIF Plan, the Commission must document the reasons for the rejection and ODOT will provide the reasons to the Qualified Entity in writing.

Per [OAR 732-042-0025](#), possible reasons for Oregon Transportation Commission rejection include, but are not limited to the following:

- The Qualified Entity did not establish a STIF Advisory Committee or established a committee inconsistent with membership requirements in rule
- The Qualified Entity failed to confer with its STIF Advisory Committee
- The STIF Plan is incomplete or does not adequately explain how the Qualified Entity will accomplish the goals of the projects in the STIF Plan, including recipient accountability methods, sub-recipient accountability methods, or remediation strategies, if applicable
- The STIF Plan does not contain the sections and elements listed in rule
- The Qualified Entity failed to expend STIF Formula funds in a manner that substantially complies with a previously approved STIF Plan

A Qualified Entity may file an appeal as described in [OAR 732-040-0050](#) if its STIF Plan is rejected by the Oregon Transportation Commission.

#### 2.4.5 Sub-Allocation Method

Qualified Entities shall work collaboratively with Public Transportation Service Providers and other potential sub-recipients, as relevant, to develop a method for sub-allocating STIF Formula funds. Failure of a Qualified Entity to develop a sub-allocation method in collaboration with Public Transportation Service Providers and other potential sub-recipients may result in the rejection of a STIF Plan.

To the extent possible, using the best available data, the sub-allocation method used by Qualified Entities must be proportionate to the amount of employee payroll tax revenue generated within the geographic territory of each Public Transportation Service Provider. Data used to create the sub-allocation method must be shared with each Public Transportation Service Provider and other potential sub-recipients, as relevant, included in its STIF Plan. A list of potential data sources to help fulfill this requirement are contained in Appendix C.

The Qualified Entity's sub-allocation estimate should be a starting point for the Qualified Entity's STIF Plan and funding prioritization process. The sub-allocation is not an entitlement to the Public Transportation Service Providers, and decision criteria may affect the prioritization of projects for award.

Because Qualified Entities that are mass transit districts or public transportation districts are responsible for distributing STIF Formula funds outside of their district boundaries (but within the remainder of the county or counties), ODOT’s Qualified Entity allocation estimate includes in-district and out-of-district revenue estimates by county. For Qualified Entities that are the only Public Transportation Service Provider within their area of responsibility—and when no other potential Public Transportation Service Provider has expressed interest in applying for STIF Formula funding—the Qualified Entity may describe these conditions and state that there are no options or reasons to sub-allocate funding in Section 4.2 (Sub-Allocation Method) of the STIF Plan.



*An autumn ride on the Corvallis Transit System.*

## 2.5 Advisory Committee

### 2.5.1 Overview



ENGAGEMENT

The Qualified Entity’s Advisory Committee plays a crucial role in the STIF Plan development process and helps to ensure transparency and accountability at the local level. Qualified Entities should appoint an Advisory Committee at the beginning of the STIF Plan development process, and should thoroughly review OARs [732-040-0030](#), [732-040-0035](#), and [732-040-0040](#) to ensure that all Advisory Committee requirements are met.

### 2.5.2 Requirements and Composition

A Qualified Entity may use an existing advisory committee, combine committees, or join with another Qualified Entity to appoint a joint advisory committee as long as it meets the STIF Advisory Committee requirements established in rule. [OAR 732-040-0030](#) contains more details about this process.

Qualified Entities are required to appoint an Advisory Committee consisting of members who are knowledgeable about the public transportation needs of residents or employees located within its area of responsibility. Members must represent diverse interests, perspectives, geography, and the population demographics of the area. Advisory Committee composition requirements vary depending on the type of Qualified Entity as noted in [OAR 732-040-0035](#).

A Qualified Entity's Governing Body or Advisory Committee may also appoint a work group to provide additional input on STIF Formula fund projects. A work group may or may not be composed of members of the Qualified Entity's Advisory Committee. Input from the work group should be considered and documented in the Qualified Entity's Advisory Committee's meeting minutes in the completion of its duties as described in [OAR 732-040-0030\(1\)](#).

### **2.5.3 Advisory Committee Bylaws**

The Qualified Entity should ensure that the Advisory Committee is guided by written bylaws that include:

- The Advisory Committee's name and purpose
- The number of Advisory Committee members
- Advisory Committee membership criteria
- The appointment process for members
- The terms of office for members
- The Advisory Committee's meeting schedule
- Advisory Committee procedures and member duties, including procedures to provide public notice of meetings to foster public engagement and to comply with Oregon public meeting and public records laws
- The Advisory Committee's process to review sub-recipient proposals and the decision-making criteria
- A definition of "high percentage of low-income households" for the Advisory Committee's use in evaluating proposed projects



## 2.5.4 Advisory Committee Project Review



ACCESSIBILITY,  
MOBILITY AND  
CLIMATE CHANGE



PRESERVATION AND  
STEWARDSHIP



CLIMATE  
EQUITY

It's the Advisory Committee's responsibility to approve or reject project proposals and to recommend project prioritization. All proposed projects must include the contents described in [OAR 732-042-0015\(3\)](#).

The Advisory Committee should consider the following criteria when reviewing project proposals:

- Whether the project would:
  - Increase the frequency of bus service to communities with a high percentage of low-income households
  - Expand bus routes and bus services to serve communities with a high percentage of low-income households
  - Reduce fares for public transportation in communities with a high percentage of low-income households
  - Result in procurement of buses that are powered by natural gas or electricity for use in areas with a population of 200,000 or more
  - Improve the frequency and reliability of service connections between communities inside and outside of the Qualified Entity's service area
  - Increase the coordination between Public Transportation Service Providers to reduce fragmentation in the provision of public transportation service
  - Expand student transit services for students in grades 9 through 12
  - Enhance services for older adults and people with disabilities
- Whether the project would maintain an existing service
- The extent to which the project goals meet public transportation needs and are a responsible use of public funds
- The extent to which the project might benefit or burden historically- or currently-marginalized communities both now and in the long term
- Other factors to be determined by the Qualified Entity or Advisory Committee (e.g., geographic equity)

A Governing Body may:

- Accept the Advisory Committee’s recommendation to approve or reject a project proposal and consider the Advisory Committee’s recommended prioritized list of projects
- Return it to the Advisory Committee for modifications
- Modify the Advisory Committee’s recommendation before submitting the STIF Plan to ODOT. If the Governing Body modifies the Advisory Committee’s recommendation, it must inform any affected recipient or sub-recipient of all modifications and give an explanation for such changes.

The Advisory Committee may also propose changes to the policies or practices of the Qualified Entity’s Governing Body if necessary to ensure that a STIF Formula fund recipient or sub-recipient has applied those funds in accordance with and for the purposes described in the project proposal.

### **2.5.5 Governing Body Adoption**

The STIF Plan must include documentation that the Governing Body approved the STIF Plan prior to its submittal to ODOT. If STIF Formula funds will be jointly managed by two or more Qualified Entities, documentation demonstrating each Governing Body’s commitment to joint management must be submitted as part of the STIF Plan application.

## **2.6 Local Plan Compliance**

Qualified Entities are required to identify the local plan(s) or policy(ies) from which each project was derived as well as the board, council, commission, or other Governing Body that approved the local plan or policy. Local plans used to support projects listed in a STIF Plan may include, but are not limited to: comprehensive plans, transportation system plans, bicycle and pedestrian plans, recreational trail plans, Safe Routes to School action plans, coordinated public transit human services transportation plans, and transit development plans.

These plans must be developed and approved by the Governing Body of a Qualified Entity, Public Transportation Service Provider (inclusive of cities, counties, and federally recognized tribal governments), or metropolitan planning organization and include, at a minimum:

1. A planning horizon of at least four years
2. An existing and future conditions analysis that includes:
  - a. Current and forecast population and demographics, including locations of people who are often transit dependent, including low-income households, individuals aged 65 or older, youth, and individuals who are racially and ethnically diverse

- b. Locations of existing housing; employment centers; medical, social, and human services centers; major destinations; and other locations with needs for public transportation services and programs
  - c. Inventories of current public transportation services located within, adjacent to, or with the reasonable potential to connect to the local or regional public transportation services, as applicable
3. Prioritized list(s) of public transportation improvements and capital projects
  4. Identified opportunities to coordinate public transportation services within and outside the county, district, or tribal area and with other agencies and areas to improve efficiency and effectiveness of service and reduce gaps in service.

An eligible project is one that is referenced in at least one local plan. The project can be referenced in a local plan that was adopted by the governing body of a Qualified Entity, Public Transportation Service Provider, or metropolitan planning organization other than the provider proposing the project.

All of the required local plan components do not need to appear in a single local plan document if they are incorporated by reference. For example, a provider could have a transit development plan that includes all of the local plan elements except for a prioritized list of capital projects but references the need for such a plan to be developed. A separate transit capital improvement plan referenced by the transit development plan in combination would be interpreted by ODOT as compliance with the local plan requirement.

ODOT's regional transit coordinators can help identify and evaluate local plan(s) for STIF rule compliance.



*A Cherriots rider enters an accessible bus.*

### 2.6.1 STIF and the Oregon Public Transportation Plan

The [Oregon Public Transportation Plan](#) was adopted by the Oregon Transportation Commission in September 2018 and provides overarching policy guidance for public transportation in Oregon. The Oregon Public Transportation Plan contains ten state public transportation goals.

Qualified Entities are required to identify how each STIF Plan project is consistent with Oregon Public Transportation Plan goals and policies and are encouraged to review and consider these goals prior to selecting projects that will be included in their STIF Plan.

- **Goal 1: Mobility – Public Transportation User Experience**
  - People of all ages, abilities, and income levels move reliably and conveniently between destinations using an affordable, well-coordinated public transportation system. People in Oregon routinely use public transportation to meet their daily needs.
- **Goal 2: Accessibility and Connectivity – Getting from Here to There**
  - Riders experience user-friendly and convenient public transportation connections to and between services and travel modes in urban, suburban, rural, regional, and interstate areas.
- **Goal 3: Community Livability and Economic Vitality**
  - Public transportation promotes community livability and economic vitality by efficiently and effectively moving people of all ages to and from homes, jobs, businesses, schools and colleges, and other destinations in urban, suburban, and rural areas.
- **Goal 4: Equity**
  - Public transportation provides affordable, safe, efficient, and equitable transportation to jobs, services, and key destinations, improving quality of life for all Oregonians.
- **Goal 5: Health**
  - Public transportation fosters improved health of Oregonians by promoting clean air, enhancing connections between people, enabling access to services such as health care and goods such as groceries, and by giving people opportunities to integrate physical activity into everyday life through walking and bicycling to and from public transportation.
- **Goal 6: Safety and Security**
  - Public transportation trips are safe; riders feel safe and secure during their travel. Public transportation contributes to the resilience of Oregon communities.
- **Goal 7: Environmental Sustainability**
  - Public transportation contributes to a healthy environment and climate by moving more people with efficient, low-emission vehicles, reducing greenhouse gases and other pollutants.

- **Goal 8: Land Use**

- Public transportation is a tool that supports Oregon’s state and local land use goals and policies. Agencies collaborate to ensure public transportation helps shape great Oregon communities providing efficient and effective travel options in urban, suburban, and rural areas.



*Kayak Public Transit bus arriving at the station.*

- **Goal 9: Funding and Strategic Investment**

- Strategic investment in public transportation supports the overall transportation system, the economy, and Oregonians’ quality of life. Sustainable and reliable funding enables public transportation services and infrastructure to meet public needs.

- **Goal 10: Communication, Collaboration, and Coordination**

- Public and private transportation providers and all levels of government within the state and across state boundaries work collaboratively and foster partnerships that make public transportation seamless regardless of jurisdiction.

The [Oregon Public Transportation Plan Local Practitioners Guide](#) contains more information about how transit providers throughout the state are successfully implementing policies reflected in the plan.

## 2.7 Accountability

### 2.7.1 Consistent versus Inconsistent Spending

STIF Plans cannot be amended and any unused funds will be carried forward for the Qualified Entity to use during the next STIF Plan period. Qualified Entities or sub-recipients should determine if a given project is not meeting its goals or estimated outcomes. The [STIF Guidance for Determining Whether Expenditures are Substantially Compliant and Consistent with STIF Plan](#) outlines what modifications may be made to activities and expenditures from the STIF Plan. Alternatively, tasks or projects may need to be suspended until they can be revisited during the next STIF Plan period. Qualified Entities are required to get prior approval from ODOT via email to shift funds between projects and/or between tasks within a project. This email should be sent to the Qualified Entity’s regional transit coordinator or a member of the STIF team.

## 2.7.2 Qualified Entity Monitoring of Sub-Recipients

Under [OAR 732-042-0015\(2\)\(G\)\(g\)](#), the Qualified Entity is responsible for monitoring the performance and compliance of its sub-recipients and contractors. More specifically, the Qualified Entity must be able to describe how it will “oversee its sub-recipients, address deficiencies in sub-recipient performance, and provide reasonable assurance that the Qualified Entity can accomplish the applicable requirements of these rules, including but not limited to: audit and compliance requirements, accounting requirements, capital asset requirements, and reporting requirements.” This OAR gives the Qualified Entity the option and authority to require its sub-recipients to include a review of STIF Formula funds as part of the sub-recipient’s annual financial audit. The Qualified Entity may identify other methods for ensuring its sub-recipients are adequately managing their STIF Formula funds, consistent with the OARs.

Sub-recipient monitoring should be an ongoing process. The frequency and manner in which the sub-recipient’s performance is monitored should be clearly stated and directly related to the terms of the agreement. Monitoring should be tailored based on use of funds. For example, monitoring funds used for vehicle purchases should include an evaluation of the sub-recipient’s vehicle maintenance plan and their performance to that plan. Monitoring funds used to provide service should include a requirement for periodic performance reporting such as on-time performance and customer satisfaction.

Both fiscal and programmatic monitoring are performed concurrently.

**Fiscal monitoring** is an examination of the sub-recipient’s and/or contractor’s financial statements, records, and procedures. Fiscal monitoring includes, but is not limited to the following:

- Reviewing bills, invoices, or other fiscal documentation
- Comparing budgets and/or budget limits to actual costs
- Obtaining reasonable documentation that services charged to the STIF were actually delivered according to the contract or agreement
- Comparing invoices with supporting documentation to determine that costs were allowable, necessary, and/or allocable, according to the policies of the STIF agency (or federal program if the STIF is being used as a match to a federal grant)

**Programmatic monitoring** compares actual service delivery with the description of performance objectives and measures as identified in the contract or agreement. Program monitoring may include any or all of the following:

- Reviewing the service provisions of the contract or agreement to determine what the sub-recipient or contractor is to provide and the desired quality

- Reviewing sub-recipient or contractor reports and other materials to determine if services are being provided
- Interviewing direct delivery staff and others to determine if services are being performed according to the contract or agreement
- Conducting on-site reviews, when appropriate, to check the nature and quality of the services being provided

Written documentation pertaining to sub-recipient performance, such as progress reports, site visit reports, payment and expenditure data, memoranda of verbal discussions, and written correspondence, should be maintained and reviewed to provide reasonable assurance of satisfactory progress. These documents are part of the official fiscal record and must be retained for three years following the final payment. Documentation pertaining to sub-recipient performance will be reviewed as part of the recipient's periodic on-site compliance review.

**For more information about Qualified Entity oversight of Formula fund sub-recipients, see the [Reporting and Technical Resources](#) page of the STIF website.**

### 2.7.3 Program Management and Compliance

Under [OAR 732-040-0015](#), all STIF recipients are subject to periodic on-site compliance reviews by ODOT. The purpose of this review is to ensure that recipients have appropriate and adequate internal controls and management procedures to meet the terms and conditions of agreements governing the disbursement of STIF Formula funds. [OAR 732-040-0015\(3\)](#) contains more information about topics that may be covered in this review.

### 2.7.4 Applicability of the Americans with Disabilities Act and Other Transportation-Related Laws

There are many laws pertaining to public transportation, including civil rights, employment, licensure, insurance, and vehicle operations. STIF Formula fund recipients and their sub-recipients are responsible for knowing about and complying with applicable laws and regulations.

STIF rule requires compliance with the [Americans with Disabilities Act transportation regulations](#) to the extent that it is required<sup>[2]</sup>. The Americans with Disabilities Act is a federal civil rights law requiring transportation services provided to the public by public agencies and private entities

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<sup>[2]</sup> OAR 732-005-0016 Purpose and Use of STF Monies (4)(a): Projects must comply with the requirements of USDOT Federal Transit Administration regulations, 49 Code of Federal Regulations PART 37 TRANSPORTATION SERVICES FOR INDIVIDUALS WITH DISABILITIES (Americans with Disabilities Act) section 37.3, as applicable to the specific project and provider.

(nonprofit and for-profit) to be available to people with disabilities. Applicability of the Americans with Disabilities Act varies according to the type of service, the type of vehicle, the type of provider offering the service, and other variables.

Federally recognized tribal governments are not required by federal law to comply with the Americans with Disabilities Act. Therefore, STIF statute does not compel compliance and tribal governments can follow state or local (tribal) procurement policy for vehicle purchases. As good practice, however, tribal governments are encouraged to share proposed purchases with their regional transit coordinator for review before issuing a purchase order.

### **2.7.5 Environmental Compliance**

Recipients are responsible for:

- Complying with all applicable local, state, and federal environmental rules and regulations
- Coordinating with relevant agencies
- Managing any environmental review procedures required to fulfill the project scope of work and deliverables

Proposals contemplating real property improvements should provide a description of the property in question, including size, adjacent roads, access, existing and proposed buildings (including historic preservation status), and any relevant natural features and hazards, such as Federal Emergency Management Agency mapped flood zones, tsunami inundation zones, geologic hazard areas, and nearby water features. The written description should be accompanied by a legible site map depicting narrated features.

Federal Transit Administration funded projects must comply with the National Environmental Policy Act and the rules adopted by the Federal Transit Administration to comply with National Environmental Policy Act. Federal Transit Administration regulations require different levels of analysis and documentation based on project type and environmental impact. It is the recipient's responsibility, in coordination with ODOT, to determine and complete the correct level of environmental review. To fulfill this requirement, a [federal environmental worksheet](#) with site map/s showing placement of each item, must be submitted to ODOT and, where any federal funding will be used to support the project, be approved by the Federal Transit Administration prior to payment for any ground-disturbing activities.

Where projects involving possible environmental impact are funded solely with state and/or local funds, a [state environmental worksheet](#) with site maps showing placement of each item, must be submitted to and approved by ODOT prior to payment for any ground-disturbing activities.



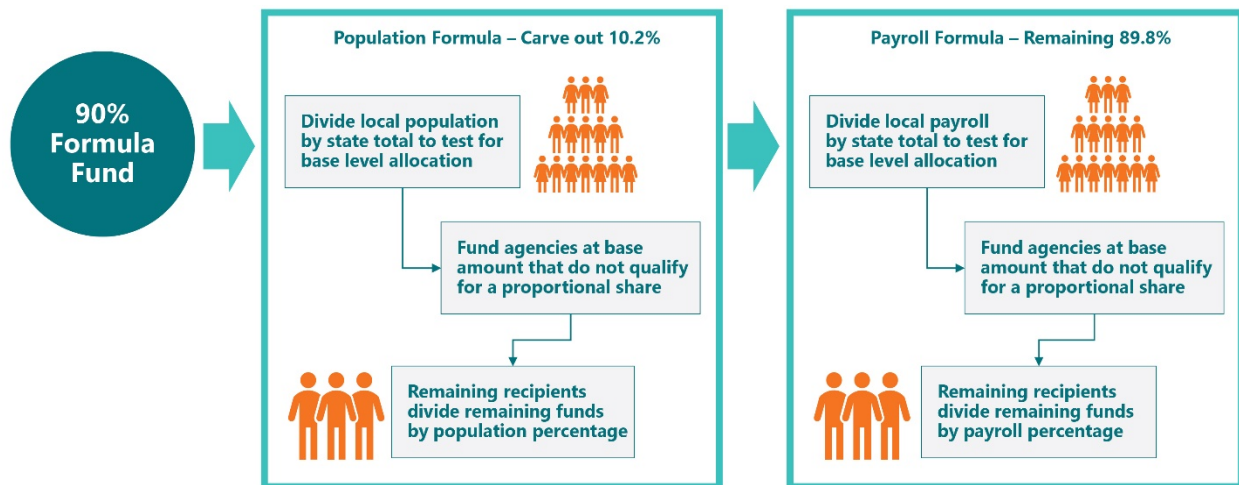
## 2.7.6 Funding Availability

### 2.7.6.1 Disbursement Estimates

ODOT updates the STIF Formula fund allocation estimate annually, which forecasts the funding that is likely to be available to Qualified Entities each fiscal year of the funding period. STIF is a relatively new program, and as such, there is less historic data to drive the calculation. As more data are collected, the forecast will become more accurate. ODOT will only distribute the revenue it receives, which may be more or less than the estimate up to the Qualified Entity's approved STIF Plan funding limit. If STIF revenues exceed STIF Plan approved funding, ODOT will not disburse those funds until a new STIF Plan is approved. Forecasts for the STIF allocation incorporate the previous year's payroll tax shares and the annual Portland State University population estimates.

STIF Formula funds are first distributed using a population-based formula. This portion of the funds must be spent on transit services for older adults and individuals with disabilities. The remaining funds derive from the existing STIF program and will be distributed using a payroll-based formula. This process is shown in Figure 2-3.

**Figure 2-3. STIF Formula Fund Funding Availability**



STIF Formula fund moneys are first distributed by population. To do this:

- ODOT staff will divide the local population by the state total to determine the base allocation recipients.

- Agencies will receive the base allocation unless they are entitled to a larger amount based on their population.
- After the base allocations have been distributed, ODOT staff will divide the remaining funds by population percentage to determine the amount that the remaining agencies should receive.

All remaining STIF Formula fund moneys are then distributed by payroll tax collected. To do this:

- ODOT staff will divide the amount of local payroll tax collected by the state total to determine the base allocation recipients.
- Agencies will receive the base allocation unless they are entitled to a larger amount based on payroll tax collected in their area.
- After the base allocations have been distributed, ODOT staff will divide the remaining funds by payroll percentage to determine the amount that the remaining agencies should receive.

### 2.7.7 Estimate Assumptions

Distributions occur quarterly, contingent on Oregon Transportation Commission approval of the Qualified Entities’ STIF Plans. Table 2-1 shows how STIF Formula funds are disbursed.

Disbursement to Qualified Entities happens at the beginning of each quarter. Qualified Entities submit a STIF Plan Report (SPR) at the end of each quarter which provides more details about how they spend the funds. The STIF Plan Report is due to ODOT 45 days after the end of each quarter. Quarters are defined as January through March, April through June, July through September, and October through December.

**Table 2-1. STIF Formula Fund Disbursement Schedule (Standard)**

| Action/Report                                  | Quarter 1             | Quarter 2          | Quarter 3              | Quarter 4                |
|--|-----------------------|--------------------|------------------------|--------------------------|
| Disbursement to Qualified Entities             | January 15            | April 15           | July 15                | October 15               |
| Qualified Entity STIF Plan reporting period    | January through March | April through June | July through September | October through December |
| Qualified Entity STIF Plan reports due to ODOT | May 15                | August 14          | November 14            | February 14              |

## 2.7.8 Redistribution of Funds

Unless a Qualified Entity has an approved STIF Plan and is receiving quarterly distributions, ODOT will accumulate STIF Formula Fund moneys for which a Qualified Entity is eligible for a period of one biennium.

If a Qualified Entity does not submit a STIF Plan for two consecutive biennia, ODOT will release any STIF Formula fund moneys accumulated for the Qualified Entity to the STIF Formula fund generally for redistribution to other Qualified Entities.

If a Qualified Entity submits a STIF Plan by the submission deadline but the STIF Plan is rejected by the Oregon Transportation Commission for two consecutive biennia, and neither rejection is overcome by an appeal or reconsideration, ODOT will release any STIF Formula fund moneys accumulated for the Qualified Entity to the STIF Formula fund generally for redistribution to other Qualified Entities.

## 2.7.9 Reporting Requirements

### 2.7.9.1 Quarterly Reports

Qualified Entities must prepare a STIF Plan Report that contains information on project progress, outcomes, and expenditures. This report is completed in the [Oregon Public Transit Information System](#) (OPTIS) and must be submitted to ODOT each quarter. Qualified Entities will use these quarterly reports to confirm that funds disbursed using the population-based formula outlined in [OAR 732-042-0010\(1\)\(a\)](#) have been used to support transit services for seniors and people with disabilities.

**The Oregon Public Transit Information System, or OPTIS, is a web-based software that the Public Transit Division uses to manage grants. This system automates and standardizes many transactions and serves as the Division's system of record. For more information about how to use OPTIS and request individualized training, please visit the [OPTIS webpage](#).**

### 2.7.9.2 Annual Reports

All STIF Formula fund recipients and sub-recipients must submit the following items to ODOT on an annual basis to fulfill requirements outlined in [OAR 732-040-0025](#):

- Low-income impact mitigation report
- Qualified Entity's adopted annual budget for the upcoming fiscal year

- Results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity

### 2.7.10 Low-Income Reporting

Per [OAR 732-040-0025\(1\)](#), each Qualified Entity receiving STIF Formula funds is required to submit an Annual STIF Low-Income Tax Mitigation Report, detailing any actions taken by Public Transportation Service Providers located within the area of that Qualified Entity to mitigate the impact of the STIF tax on passengers who reside in low-income communities.



*An adult and child board the Clackamas Connects shuttle.*

- Each Qualified Entity and Public Transportation Service Provider receiving STIF Formula funds must complete a [low-income impact mitigation form](#) and return it to the appropriate Qualified Entity.
- It is the Qualified Entity's responsibility to complete a [low-income impact mitigation cover letter](#) and bundle it along with all low-income impact mitigation forms received from Public Transportation Service Providers (including Public Transportation Service Providers receiving STIF Discretionary funds) for submittal to ODOT. The Qualified Entity will coordinate with Public Transportation Service Providers to ensure that the form is complete and the annual requirement is fulfilled. Qualified Entities must submit these documents to ODOT no later than 45 days after the end of each fiscal year in which the Qualified Entity receives STIF Formula funds. This information should be submitted as an attachment to the quarter four and quarter eight STIF Plan Report.

**Under STIF, "low-income household" is defined as a household the total income of which does not exceed 200 percent of the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).**

### 2.7.10.1 Annual Budget

The Qualified Entity's adopted annual budget for the upcoming fiscal year must be submitted no later than 30 days after adoption.

This should be sent to ODOT via email at [ODOTPTDReporting@odot.oregon.gov](mailto:ODOTPTDReporting@odot.oregon.gov).

### 2.7.10.2 Financial Audits

The results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity, as required by a local, state, or federal oversight agency for the purposes of statewide reporting should be sent to ODOT on an annual basis.

This includes but is not limited to the following:

1. The state financial report required under [ORS 291.040](#)
2. The results of any comprehensive review completed by the Federal Transit Administration or ODOT
3. Any information submitted by the Qualified Entity as part of the requirements of a statewide audit in accordance with the federal Single Audit Act of 1984 (31 U.S.C. 7501 to 7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156)

### 2.7.10.3 Reporting Interest

#### Accrued Interest

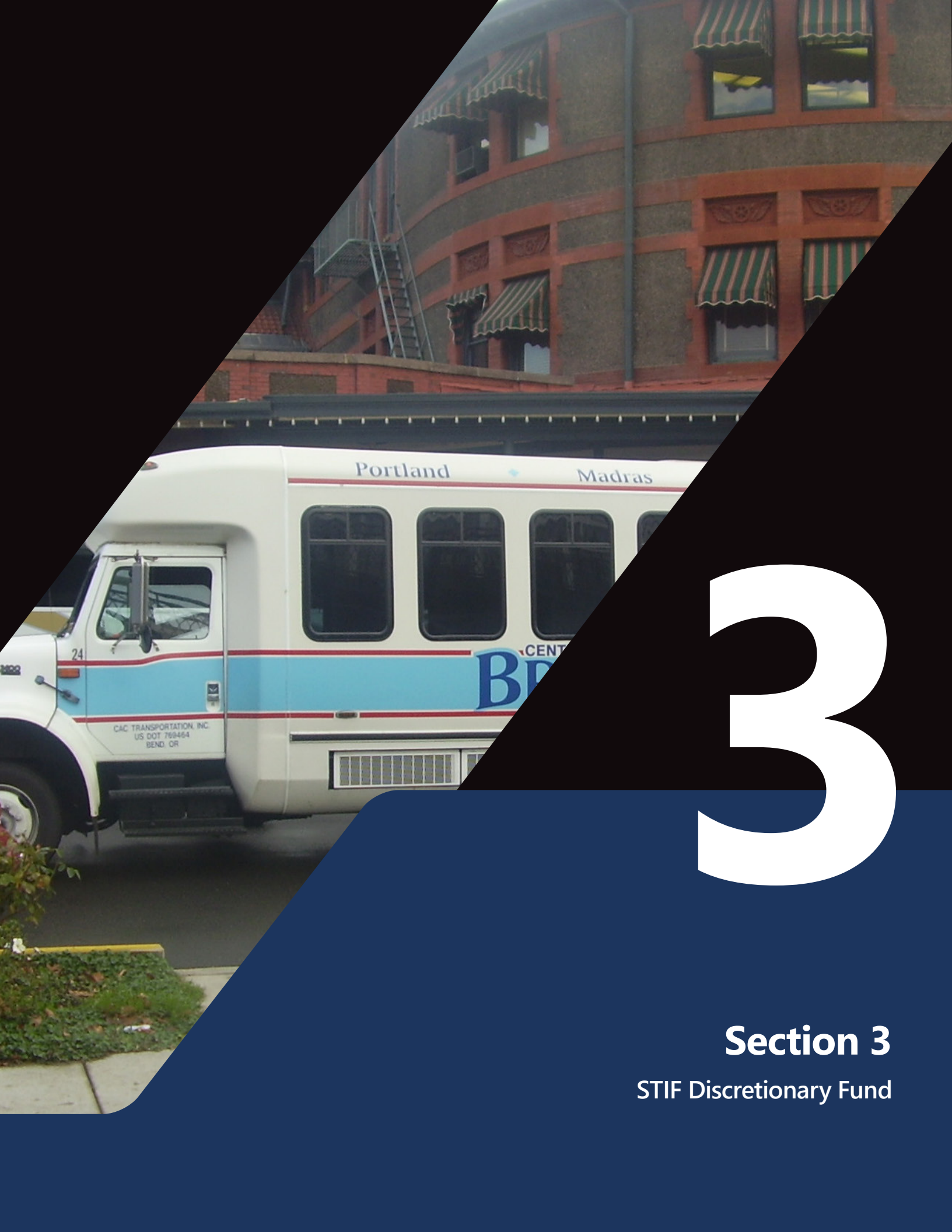
Accrued interest must be reported annually. The preferred method for reporting the amount of STIF interest accrued is to include the information as part of the recipient's annual financial audit using the [STIF Agreed-Upon Audit Procedures](#).

Audits should be submitted to [ODOTPTDReporting@odot.oregon.gov](mailto:ODOTPTDReporting@odot.oregon.gov) no later than 30 days after the receipt of the auditor's final report(s).

#### Expended Interest

Interest from STIF Formula funds can be spent in the same STIF Plan cycle that it is earned, or it may be carried forward to a future STIF Plan. STIF interest, like disbursements, can be spent only on approved STIF Plan projects. Reporting the spending of STIF interest is accomplished through the STIF Plan Report in the Oregon Public Transit Information System. The narrative section at the project level is the appropriate place to note where STIF interest was used, as this can explain potential budget overages to the project. The overall STIF Plan budget may not be exceeded.

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# 3

## Section 3

STIF Discretionary Fund

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## Section 3: STIF Discretionary Fund

### 3.1 Program Purpose

The STIF Discretionary fund is a flexible fund source that aims to expand or improve public transportation services by supporting projects that create new service routes, adopt enhanced forms of technology and data collection, maintain transit fleets in a state of good repair, and advance the equity and sustainability of transportation in the state. STIF Discretionary funds are not a source of ongoing operations funding.



Goals of the STIF Discretionary fund are to:

- Improve transit for low-income and transportation-disadvantaged communities
- Reduce greenhouse gas emissions
- Increase transit accessibility and efficiency
- Improve roadway and community safety and livability

## 3.2 Eligible Applicants

### 3.2.1 Public Transportation Service Providers

Public Transportation Service Providers, as defined in [OAR 732-040-0005\(24\)](#), are eligible applicants. These include mass transit districts, transportation districts, federally recognized tribes, or a city, county, special district, intergovernmental entity, or any other political subdivision or municipal or public corporation that provides public transportation services. [OAR 732-040-0005](#) contains additional definitions. Ineligible applicants include nonprofit transit providers and for-profit transit providers.

### 3.2.2 Sub-Recipients

A recipient of STIF Discretionary funds may contract with other Public Transportation Service Providers, for-profits, and nonprofits to implement project deliverables. Recipients using only STIF Discretionary funds to fund a project may apply their local processes for procurement of services. Recipients using federal funds to complete the proposed project, including as match, must follow the applicable federal procurement requirements.

### 3.2.3 Applicant Requirements and Qualifications

Under [OAR 732-044-0020](#), potential recipients of STIF Discretionary funds are required to meet, or demonstrate the capacity to meet, the following qualifications as applicable to the type of project being funded:

- Be an entity eligible to enter into agreements
- Have the legal, managerial, and operational capacity to perform the project within the agreed schedule
- Not be debarred or suspended from receiving federal grants
- Maintain compliance with federal, state, and local laws and regulations including, but not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety, and health, as applicable
- Comply with applicable laws, OARs, and policies of the applicable grant fund
- Ensure proper use of STIF funds
- Perform the project in a safe, prudent, and timely manner

In addition, a recipient may require additional eligibility qualifications of sub-recipients, contractors, or vendors. A recipient is required to confirm the eligibility of a sub-recipient prior to distributing STIF funds and entering into an agreement with the sub-recipient. Recipients are also required to ensure that sub-recipient maintain eligibility throughout the project period of activities funded with STIF Discretionary funds.

### 3.3 Eligible Projects

Projects eligible for funding under the STIF Discretionary fund include but are not limited to capital projects such as vehicles, facilities, equipment, and technology; and management, planning, and research. Transit-adjacent projects, such as infrastructure updates that improve safety of public transit users, may also be eligible where they have a reasonable connection to public transportation services. Pilot operations projects may be considered for funding if the application includes a feasible financial plan for ongoing operations beyond the initial pilot period, per [OAR 732-044-0005](#).

Incomplete pilot projects initiated with STIF Discretionary funds in a previous biennium may be eligible, but these projects will not receive preference over other eligible projects. STIF Discretionary funds are not an eligible source of funding for ongoing operations.

#### 3.3.1 Application Procedure

Applications will be solicited every two years. Applicants may apply for consideration using an online application form. Most projects will require submission of a letter of interest prior to submission of a formal application. ODOT may ask applicants to supply missing information or to provide clarification about the meaning or intent of any portion of an application. Applicants will have five business days to supply the requested information after ODOT's request. Failure to provide the requested information may result in rejection of the application. A rejected application may be resubmitted in a future solicitation cycle. Qualified Entity reviews should consider the extent to which each project meets the project selection criteria established by the Oregon Transportation Commission (Table 3-1).



*Passenger in Grant County rides The People Mover.*

**Table 3-1. Discretionary Solicitation Selection Criteria Framework**

| Focus Areas   | Selection Criteria  | Score Weighing     |            |
|---|---|--------------------|------------|
|   |   | STIF Discretionary | STN        |
| <p><b>Equity and Public Transportation Service to Low-Income Households</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Equity</li> </ul>   | <ul style="list-style-type: none"> <li>Improves public transportation service (e.g., service levels, programs, information, and supporting infrastructure) to low-income households. OAR 732-044-0030(1)(a)</li> <li>Improves or expands service to vulnerable or transportation-disadvantaged populations (e.g., seniors and people with disabilities). OAR 732-044-0030(1)(c)</li> </ul>  | 20 percent         | 10 percent |
| <p><b>Coordination of Public Transportation Services</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Communication, Collaboration, and Coordination</li> <li>Mobility and Public Transportation User Experience</li> </ul> | <ul style="list-style-type: none"> <li>Improves coordination between public transportation providers. OAR 732-044-0030(1)(b)</li> <li>Provides integrated planning where affected communities will plan or partner to develop public transportation project(s). OAR 732-044-0030(1)(c)(A)</li> <li>Implements technological innovations that improve efficiencies and support a seamless, easy-to-use Statewide Transit Network. OAR 732-044-0030(1)(c)(B)</li> </ul> | 10 percent         | 30 percent |
| <p><b>Safety, Security, and Community Livability</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Safety and Security</li> <li>Community Livability and Economic Vitality</li> </ul>  | <ul style="list-style-type: none"> <li>Protects fleet condition and ensures vehicles are maintained in a state of good repair. OAR 732-044-0030(1)(c)</li> <li>Results in increased use and participation in active transportation, including public transportation. OAR 732-044-0030(1)(c)</li> </ul>  | 25 percent         | 10 percent |
| <p><b>Environmental and Public Health</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Environmental Sustainability</li> <li>Health</li> </ul>  | <ul style="list-style-type: none"> <li>Reduces greenhouse gas emissions in or through public transportation systems. OAR 732-044-0030(1)(c)(C)</li> <li>Supports positive health outcomes. OAR 732-044-0030(1)(c)</li> </ul>  | 15 percent         | 10 percent |
| <p><b>Statewide Transit Network Connections</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Accessibility and Connectivity</li> </ul>   | <ul style="list-style-type: none"> <li>Improves or maintains service between geographically separated communities. OAR 732-044-0030(1)(c)(D)</li> <li>Improves local connections and infrastructure at interregional transit hubs or develops service improvements and approaches that can be replicated statewide. OAR 732-044-0030(1)(c)</li> </ul>   | 10 percent         | 30 percent |
| <p><b>Sustainable Funding</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Funding and Strategic Investment</li> </ul>   | <ul style="list-style-type: none"> <li>Does not substantially rely on discretionary state funding beyond a pilot phase (i.e., project is short-term or has reasonable fund sources identified to sustain project related transit services after discretionary funds expended). OAR 732-044-0030(1)(d)</li> </ul>  | 20 percent         | 10 percent |

OPTP = Oregon Public Transportation Plan  
 STIF Disc = STIF Discretionary fund  
 STN = Statewide Transit Network Program

### 3.3.2 Funding Availability

ODOT will award funds at its discretion. It is possible that estimates of fund availability could decrease or increase as a result of a loss or gain in projected STIF tax revenue. Because this is a competitive grant program, project rankings will be used to determine which projects may be funded when the STIF Discretionary fund allocations are finalized.

#### 3.3.2.1 Match Requirements

The match requirements for projects awarded through this solicitation will vary based on project type. STIF Discretionary fund projects must meet the match requirements described in [OAR 732-044-0005\(4\)](#).

Eligible project match sources may include federal funds and certain state funds (for example, STIF Formula funds) intended for public transportation purposes, local funds, private contributions, and in-kind labor or contributions. Match contributions, including capital assets such as property, should only be used once as match on a single project and may not be used again as a match. Farebox revenues are not eligible as match.

STIF Discretionary fund applicants must demonstrate their ability to provide at least 20 percent of the project's total costs.

The 20 percent match may be reduced to 10 percent, upon ODOT's recommendation, if any of the following characteristics exist:

- The project will predominantly serve or provide access to and from rural communities (communities outside of urbanized areas with populations of fewer than 50,000 people).
- The project will serve an area located outside of a Public Transportation Service Provider's geographic jurisdiction.
- The project will fill a significant gap in the Statewide Transit Network.
- The project will provide statewide benefits to multiple Public Transportation Service Providers. The applicant should identify the benefits to areas outside the jurisdiction where the project will be located.

## 3.4 Program Management and Compliance

### 3.4.1 Overview

Under [OAR 732-040-0015](#), all STIF Discretionary fund recipients are subject to periodic on-site compliance reviews by ODOT. Under [OAR 732-040-0015\(3\)](#), recipients must have policies and procedures in place to address project implementation such as program management; financial management; operations management; procurement, use, and maintenance of equipment; records retention; compliance with state and federal civil rights laws; and compliance with the Americans with Disabilities Act.

STIF recipients must be prepared to produce a description of the methods, policies, and procedures that will be used to ensure compliance with these rules. Additional information can be found on the [Compliance Review webpage](#).

### 3.4.2 Applicability of Americans with Disabilities Act and Other Transportation-Related Laws

There are many laws pertaining to public transportation, including civil rights, employment, licensure, insurance, and vehicle operations. STIF Discretionary fund recipients and their sub-recipients are responsible for knowing about and complying with applicable laws and regulations.

STIF rule requires compliance with the [Americans with Disabilities Act transportation regulations](#) to the extent that it is required<sup>[3]</sup>. The Americans with Disabilities Act is a federal civil rights law requiring transportation services provided to the public by public agencies and private entities (nonprofit and for-profit) are available to people with disabilities. Applicability of the Americans with Disabilities Act varies according to the type of service, the type of vehicle, the type of provider offering the service, and other variables.

Federally recognized tribal governments are not required by federal law to comply with the Americans with Disabilities Act. Therefore, STIF statute does not compel compliance and tribal governments can follow state or local (tribal) procurement policy for vehicle purchases. As good practice, however, tribal governments are encouraged to share proposed purchases with their regional transit coordinator for review before issuing a purchase order.

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<sup>[3]</sup> OAR 732-005-0016 Purpose and Use of STF Moneys (4)(a): Projects must comply with the requirements of USDOT Federal Transit Administration regulations, 49 Code of Federal Regulations PART 37 TRANSPORTATION SERVICES FOR INDIVIDUALS WITH DISABILITIES (Americans with Disabilities Act) section 37.3, as applicable to the specific project and provider.

### 3.4.3 Low-Income Reporting

Per [OAR 732-040-0025\(1\)](#), each Qualified Entity receiving STIF funds is required to submit an Annual STIF Low-Income Tax Mitigation Report, detailing any actions taken by Public Transportation Service Providers located within the area of that Qualified Entity to mitigate the impact of the STIF tax on passengers who reside in low-income communities.

Public Transportation Service Providers are responsible for submitting an annual [low-income mitigation form](#) to the appropriate Qualified Entity. The Qualified Entity will coordinate with Public Transportation Service Providers to ensure that ODOT receives this report. Qualified Entities must submit these documents to ODOT no later than 45 days after the end of each fiscal year in which the Qualified Entity receives STIF funds.

STIF recipients must be prepared to produce a description of the methods, policies, and procedures that will be used to ensure compliance with these rules.

### 3.4.4 Environmental Compliance

Recipients are responsible for:

- Complying with all applicable local, state, and federal environmental rules and regulations
- Coordinating with relevant agencies
- Managing any environmental review procedures required to fulfill the project scope of work and deliverables



*Lane Transit District bus carrying a bicycle on a fall day.*

Proposals contemplating real property improvements should provide a description of the property in question, including size, adjacent roads, access, existing and proposed buildings (including historic preservation status), and any relevant natural features and hazards, such as Federal Emergency Management Agency mapped flood zones, tsunami inundation zones, geologic hazard areas, and nearby water features. The written description should be accompanied by a legible site map depicting narrated features.

FTA-funded projects must comply with the National Environmental Policy Act and the rules adopted by the Federal Transit Administration to comply with National Environmental Policy Act. Federal Transit Administration regulations require different levels of analysis and documentation based on project type and environmental impact. It is the recipient's responsibility, in coordination with ODOT, to determine and complete the correct level of environmental review. To fulfill this requirement, a [federal environmental worksheet](#) (including site map/s showing placement of each item) must be submitted to ODOT and, where any federal funding will be used to support the project, be approved by the Federal Transit Administration prior to payment for any ground-disturbing activities.

Where projects involving possible environmental impact are funded solely with state and/or local funds, a [state environmental worksheet](#) (including site maps showing placement of each item) must be submitted to and approved by ODOT prior to payment for any ground-disturbing activities. All STIF Discretionary fund projects implemented within the jurisdiction of Energy Trust of Oregon and involving construction or improvement of a real property asset must complete a free consultation with Energy Trust of Oregon to explore opportunities for improved energy efficiency in project implementation or facility design.

#### **3.4.4.1 Capital Assets**

Grant recipients should understand the unique reporting, environmental review, and documentation processes associated with the purchase of capital assets. The requirements vary based on the source of funding, project type, and applicable local, state, and federal regulations. It is the grant recipient's responsibility to understand and comply with all applicable requirements.

[OAR 732-044-0050](#) specifies the capital asset requirements for recipients of STIF Discretionary funds.

To be eligible to receive STIF Discretionary funds to acquire vehicles, an applicant must demonstrate in their grant application that the recipient or who will acquire the capital asset(s) has committed to continually use the vehicle for the approved purpose for the useful life of the asset(s). However, capital asset inventory reporting is still required as long as the capital asset is in use for public transportation.



To be eligible to receive STIF Discretionary funds for a real property capital asset (for example, a transit facility, bus barn, maintenance facility, land, or administration building), an applicant must demonstrate in their grant application one or more of the following, depending on asset type:

- Recipient or sub-recipient ownership of the property upon which the capital asset will be located
- Recipient or sub-recipient possession of an executed lease agreement for the property location where the capital asset will be located, and that will be in place for the useful life of the capital asset
- Recipient or sub-recipient possession of an executed lien on the property upon which the capital asset will be located, for the useful life of the capital asset
- In the case of a project that will utilize property owned by a local city, county, or government, an executed intergovernmental agreement with the property owner guaranteeing ongoing use for the duration of the useful life of the capital asset
- In the case of a project to purchase land, an option to purchase the land identified in the project



*Rider waits to enter the La Grande trolley.*

### 3.4.5 Reporting Requirements

STIF Discretionary fund recipients must satisfy state reporting requirements. Grant recipients are required to report project progress and expenditures throughout the funding period. Funds will be disbursed on a quarterly basis upon submittal of satisfactory progress reports and expenditure documentation.

All recipients should be prepared to fulfill the following general reporting requirements:

- Quarterly reports completed in ODOT's [Oregon Public Transit Information System \(OPTIS\)](#), detailing project progress, outcomes, and expenditures by the recipient and its sub-recipient(s). The quarterly report is due no later than 45 days following the end of each quarter. The fourth quarter report in each fiscal year may be preliminary, pending adjustment based on the recipient's financial audit. The [STIF webpage](#) contains additional guidance on project reporting.

- Recipients must maintain all financial records for at least three years after ODOT disperses the final payment under a grant agreement. Recipients must maintain all records relating to capital assets for three years after the disposition of a grant-funded asset as noted in [OAR 732-040-0020](#).
- Documentation on reimbursement requests submitted in Oregon Public Transit Information System as outlined in the [Supporting Documents Checklist](#).
- ODOT may require additional documentation and deliverables beyond those indicated in an application, as appropriate to the project.
- Recipients must submit copies of sub-recipient agreements to ODOT within 30 days of fully executing the sub-recipient agreement as noted in [OAR 732-044-0035\(4\)](#).
- Recipients that have acquired, purchased, or leased capital assets using STIF Discretionary funds must provide ODOT with a capital asset inventory. The inventory must include the following information as noted in [OAR 732-044-0050](#):
  - Purchase date and price
  - STIF and other funds used for the purchase
  - Authorized use and operator
  - Asset description as follows:
    - **Vehicles:** make, model, quantity, size, number of securement stations, seats with and without securement stations deployed, fuel system, mileage, and condition
    - **Improvements to real property (facilities, buildings, shelters):** location, current disposition, condition, and status
    - **Equipment:** make, model, quantity, and condition

The capital asset inventory must be updated at regular intervals as specified by ODOT. Reporting is required as long as the capital asset is in use for public transportation, regardless of the expected useful life of the asset.

### 3.4.6 Annual Reports

All STIF Discretionary fund recipients and sub-recipients must submit the following items to ODOT on an annual basis to fulfill requirements outlined in [OAR 732-040-0025](#).

- Low-income impact mitigation report
- Qualified Entity's adopted annual budget for the upcoming fiscal year
- Results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity

### 3.4.7 Annual Budget

The Qualified Entity's adopted annual budget for the upcoming fiscal year must be submitted no later than 30 days after adoption.

This can be sent to ODOT via email at [ODOTPTDReporting@odot.oregon.gov](mailto:ODOTPTDReporting@odot.oregon.gov).

### 3.4.8 Financial Audits

The results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity, as required by a local, state or federal oversight agency for the purposes of statewide reporting should be sent to ODOT on an annual basis.



*LinkLane bus stopped at a crosswalk.*

This includes but is not limited to the following:

1. The state financial report required under [ORS 291.040](#)
2. The results of any comprehensive review completed by the Federal Transit Administration or ODOT
3. Any information submitted by the Qualified Entity as part of the requirements of a statewide audit in accordance with the federal Single Audit Act of 1984 (31 U.S.C. 7501 to 7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156)

#### 3.4.8.1 Application Review and Project Selection Process

The major steps in the project selection process are as follows:

1. Applicants submit a letter of interest to ODOT.
2. Public Transportation Service Providers submit grant applications to ODOT.
3. ODOT reviews applications for completeness, applicant eligibility, and project eligibility consistent with OARs [732-044-0005](#), [732-044-0015](#), and [732-044-0020](#) and with federal requirements, where relevant.
4. ODOT forwards eligible applications to relevant Area Commissions on Transportation for review and comment and to Qualified Entities for review, recommendation, and, potentially, project prioritization following consultation with STIF Advisory Committees.

- a. Qualified Entities, with Advisory Committee guidance, review and recommend whether each project should be awarded funding. Qualified Entities may recommend a prioritized list of projects for their Qualified Entity's geographic area of responsibility.
  - b. Advisory Committee reviews should be conducted in compliance with Committee bylaws.
  - c. Qualified Entity reviews should consider the extent to which each project meets the project selection criteria established by the Oregon Transportation Commission in [OAR 732-044-0030](#).
5. ODOT Project Selection Committee reviews applications, Qualified Entity recommendations, and Area Commission on Transportation comments and prepares a ranked list of project applications recommended for funding to the Public Transportation Advisory Committee.
  6. The Public Transportation Advisory Committee considers ODOT Project Selection Committee ranked list of projects, Qualified Entity recommendations, and Area Commission on Transportation comments and provides a rank-ordered funding recommendation to the Oregon Transportation Commission.
  7. The Oregon Transportation Commission reviews and decides which projects will be awarded funds.
  8. ODOT posts Oregon Transportation Commission funding awards on the ODOT Public Transportation Division website and notifies applicants via email of the posting.

#### **3.4.8.2 Appeals Process**

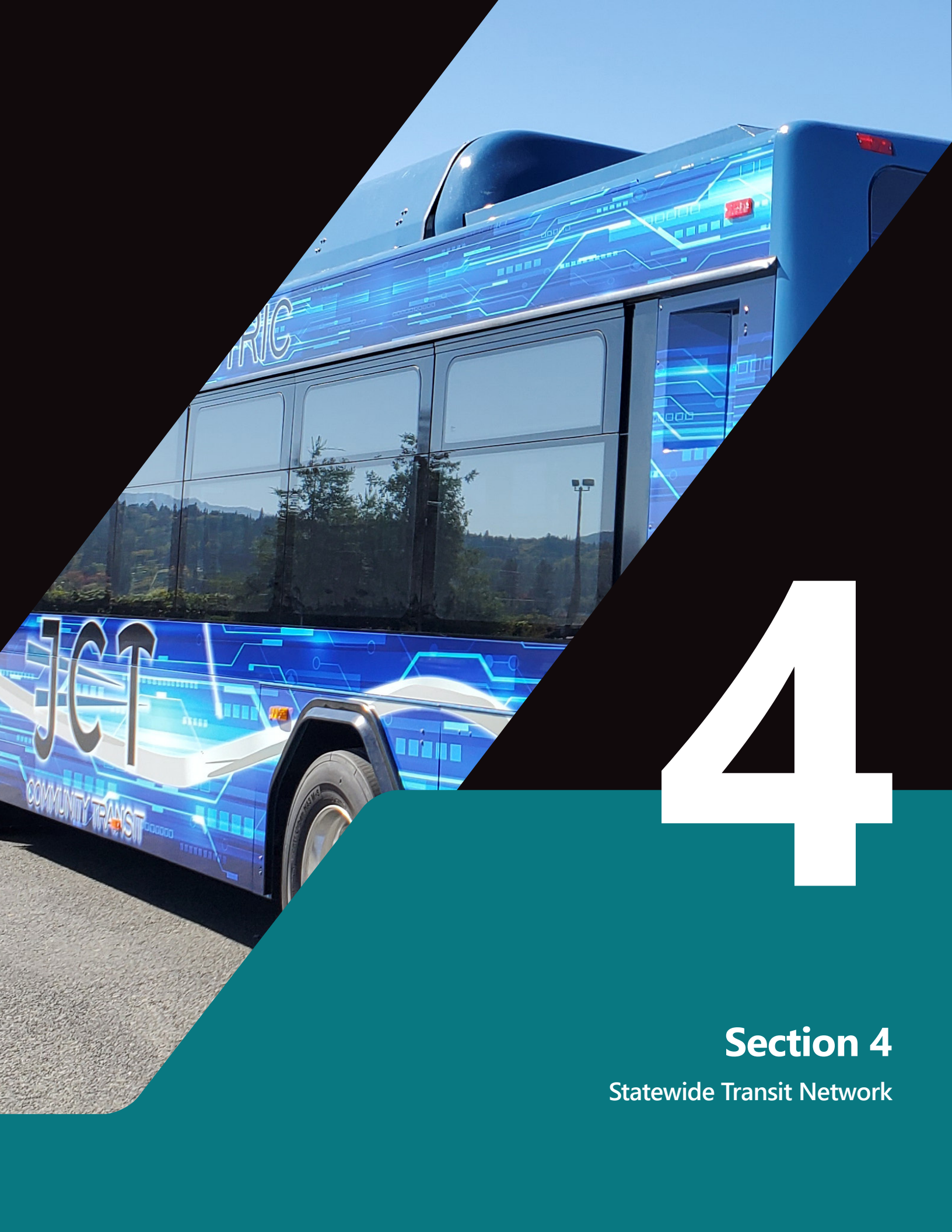
Applicants with projects not recommended for funding may appeal the funding decision. ODOT will follow the appeals process as identified in the [State Management Plan](#).

The appeals process described in this guidebook will be available following the Oregon Transportation Commission's final decision on grant awards. Where necessary, ODOT will return to the Commission for approval of any amended funding recommendation resulting from an appeal.

#### **3.4.9 STIF and the Oregon Public Transportation Plan**

State discretionary grant programs provide an opportunity for ODOT to encourage and support projects that meet local needs while aligning with state public transportation priorities. This approach ensures that both state and local priorities are addressed through competitive grant awards.

The [Oregon Public Transportation Plan](#), adopted by the Oregon Transportation Commission in September 2018, provides overarching policy guidance for public transportation in Oregon. The Oregon Public Transportation Plan contains 10 state public transportation goals. All ODOT discretionary grant programs incorporate these goals into the selection process. ODOT has developed selection criteria that reflect these goals, ensuring projects selected by evaluators advances statewide priorities.



# 4

## Section 4

Statewide Transit Network

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## Section 4: Statewide Transit Network Program

### 4.1 Program Purpose

The Statewide Transit Network Program currently utilizes two fund sources: STIF Intercommunity and Federal Transit Administration Section 5311(f) Intercity funds. While each funding source has different project eligibility requirements, there is significant overlap between the two.

The purpose of the Statewide Transit Network Program is to support projects that enhance Oregon's statewide fixed route transit network by investing in key transit hubs, closing gaps between two or more communities, improving access to and from transit for pedestrians and bicyclists, improving collaboration and coordination between agencies that results in functional benefits, or other activities that improve the function of the overall transit network and serve the interests of more than one transit provider.



ACCESSIBILITY,  
MOBILITY AND  
CLIMATE CHANGE



PRESERVATION AND  
STEWARDSHIP

Goals of the Statewide Transit Network Program are to:

- Expand intercity connections
- Improve coordination between public transportation providers
- Enhance ease of use of the Statewide Transit Network
- Improve infrastructure at inter-regional transit hubs

## 4.2 Eligible Applicants

### 4.2.1 Public Transportation Service Providers

Public Transportation Service Providers, as defined in [OAR 732-040-0005\(24\)](#), are eligible applicants. These include mass transit districts, transportation districts, federally recognized tribes, or a city, county, special district, intergovernmental entity, or any other political subdivision or municipal or public corporation that provides public transportation services.

[OAR 732-040-0005](#) contains additional definitions. Nonprofit transit providers and for-profit transit providers are not eligible to apply for STIF Intercommunity funds.



*Bus pulling away from a stop in Eugene, Oregon.*

Federal Transit Administration Section 5311(f) has broader applicant eligibility than STIF. Along with the types of entities eligible for STIF Intercommunity funds, Federal Transit Administration Section 5311(f) funds may be sought by nonprofit organizations and private for-profits that provide public transportation services. Applicants must meet all eligibility requirements of Federal Transit Administration Section 5311.

### 4.2.2 Sub-Recipients

Fund recipients may contract with other Public Transportation Service Providers, for-profits, and nonprofits to implement project deliverables. Recipients using only STIF Intercommunity funds for a project may apply their local processes for procurement of services. Recipients using federal funds to complete the proposed project, including as match, must follow the applicable federal procurement requirements.



### 4.2.3 Applicant Requirements and Qualifications

Under [OAR 732-044-0020](#), potential recipients of Statewide Transit Network Program funding are required to meet, or demonstrate the capacity to meet, the following qualifications as applicable to the type of project being funded:

- Be an entity eligible to enter into agreements
- Have the legal, managerial, and operational capacity to perform the project within the agreed schedule
- Not be debarred or suspended from receiving federal grants
- Maintain compliance with federal, state, and local laws and regulations including, but not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety, and health, as applicable
- Comply with applicable laws, OARs, and the policies of the applicable grant fund
- Ensure proper use of STIF funds
- Perform the project in a safe, prudent, and timely manner

In addition, a recipient may require additional eligibility qualifications of sub-recipients, contractors, or vendors. A recipient is required to confirm the eligibility of a sub-recipient prior to distributing STIF funds and entering into an agreement with the sub-recipient. Recipients are also required to ensure that sub-recipients maintain eligibility throughout the project period of activities funded with STIF funds.

## 4.3 Eligible Projects

Projects eligible for funding under the Statewide Transit Network program include, but are not limited to, capital projects such as vehicles, facilities, equipment, and technology; as well as mobility management, planning, research, and pilot and ongoing operations projects. Projects must support services connecting two or more geographically distinct communities.

Ongoing operations projects funded with Statewide Transit Network funds are subject to risk of not receiving funding in future solicitations because Statewide Transit Network Program grant awards are made every two years following an open competitive decision-making process.

Statewide Transit Network projects that do not directly support transit operations must describe how the proposed project would benefit the Statewide Transit Network in ways that benefit multiple transit providers.

Projects eligible for Federal Transit Administration Section 5311(f) funds need to demonstrate that they support a public transportation service that:

1. Covers longer distances (20 or more miles) or closes a significant gap in the Statewide Transit Network
2. Makes infrequent stops, and is not designed primarily to serve commuters
3. Has the capacity to carry passenger luggage
4. Makes meaningful connections to the larger intercity and Statewide Transit Network, including passenger rail, where possible

All applicants seeking funding for fixed route transit services must have a process in place for creating and maintaining public General Transit Feed Specification data that describe the service.

### **4.3.1 Application Procedure**

#### **4.3.1.1 Application Review and Project Selection Process**

The major steps in the project selection process are as follows:

1. Applicants submit letter of interest to ODOT.
2. Applicants submit grant applications to ODOT.
3. ODOT reviews applications for completeness, applicant eligibility, and project eligibility consistent with OARs [732-044-0005](#), [732-044-0015](#), and [732-044-0020](#) and with federal requirements, where relevant.
4. ODOT forwards eligible applications to relevant Area Commissions on Transportation for review and comment and to Qualified Entities for review, recommendation, and, potentially, project prioritization following consultation with STIF Advisory Committees.
  - a. Qualified Entities, with Advisory Committee guidance, review and recommend whether each project should be awarded funding. Qualified Entities may recommend a prioritized list of projects for their Qualified Entity's geographic area of responsibility.
  - b. Advisory Committee reviews should be conducted in compliance with Committee bylaws.
  - c. Qualified Entity reviews should consider the extent to which each project meets the project selection criteria established by the Oregon Transportation Commission (4-1).
5. ODOT Project Selection Committee reviews applications, Qualified Entity recommendations, and Area Commission on Transportation comments and prepares a ranked list of project applications recommended for funding to the Public Transportation Advisory Committee.

6. The Public Transportation Advisory Committee considers ODOT Project Selection Committee ranked list of projects, Qualified Entity recommendations, and Area Commission on Transportation comments and provides a rank-ordered funding recommendation to the Oregon Transportation Commission.
7. The Oregon Transportation Commission reviews and decides which projects will be awarded funds.
8. ODOT posts Oregon Transportation Commission funding awards on the Public Transportation Division website and notifies applicants via email of the posting.

**Table 4-1. Discretionary Solicitation Selection Criteria Framework**

| Focus Areas   | Selection Criteria  | Score Weighing     |            |
|---|---|--------------------|------------|
|   |   | STIF Discretionary | STN        |
| <p><b>Equity and Public Transportation Service to Low-Income Households</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Equity</li> </ul>   | <ul style="list-style-type: none"> <li>Improves public transportation service (e.g., service levels, programs, information, and supporting infrastructure) to low-income households. OAR 732-044-0030(1)(a)</li> <li>Improves or expands service to vulnerable or transportation-disadvantaged populations (e.g., seniors and people with disabilities). OAR 732-044-0030(1)(c)</li> </ul>  | 20 percent         | 10 percent |
| <p><b>Coordination of Public Transportation Services</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Communication, Collaboration, and Coordination</li> <li>Mobility and Public Transportation User Experience</li> </ul> | <ul style="list-style-type: none"> <li>Improves coordination between public transportation providers. OAR 732-044-0030(1)(b)</li> <li>Provides integrated planning where affected communities will plan or partner to develop public transportation project(s). OAR 732-044-0030(1)(c)(A)</li> <li>Implements technological innovations that improve efficiencies and support a seamless, easy-to-use Statewide Transit Network. OAR 732-044-0030(1)(c)(B)</li> </ul> | 10 percent         | 30 percent |
| <p><b>Safety, Security, and Community Livability</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Safety and Security</li> <li>Community Livability and Economic Vitality</li> </ul>  | <ul style="list-style-type: none"> <li>Protects fleet condition and ensures vehicles are maintained in a state of good repair. OAR 732-044-0030(1)(c)</li> <li>Results in increased use and participation in active transportation, including public transportation. OAR 732-044-0030(1)(c)</li> </ul>  | 25 percent         | 10 percent |
| <p><b>Environmental and Public Health</b></p> <p><i>OPTP goals:</i></p> <ul style="list-style-type: none"> <li>Environmental Sustainability</li> <li>Health</li> </ul>  | <ul style="list-style-type: none"> <li>Reduces greenhouse gas emissions in or through public transportation systems. OAR 732-044-0030(1)(c)(C)</li> <li>Supports positive health outcomes. OAR 732-044-0030(1)(c)</li> </ul>  | 15 percent         | 10 percent |
| <p><b>Statewide Transit Network Connections</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Accessibility and Connectivity</li> </ul>   | <ul style="list-style-type: none"> <li>Improves or maintains service between geographically separated communities. OAR 732-044-0030(1)(c)(D)</li> <li>Improves local connections and infrastructure at interregional transit hubs or develops service improvements and approaches that can be replicated statewide. OAR 732-044-0030(1)(c)</li> </ul>   | 10 percent         | 30 percent |
| <p><b>Sustainable Funding</b></p> <p><i>OPTP goal:</i></p> <ul style="list-style-type: none"> <li>Funding and Strategic Investment</li> </ul>   | <ul style="list-style-type: none"> <li>Does not substantially rely on discretionary state funding beyond a pilot phase (i.e., project is short term or has reasonable fund sources identified to sustain project related transit services after discretionary funds expended). OAR 732-044-0030(1)(d)</li> </ul>  | 20 percent         | 10 percent |

OPTP = Oregon Public Transportation Plan  
 STIF Disc = STIF Discretionary fund  
 STN = Statewide Transit Network Program

#### 4.3.1.2 Appeals Process

Applicants with projects not recommended for funding may appeal the funding decision. ODOT will follow the appeals process as identified in the [State Management Plan](#).

The appeals process described in this document will be available following the Oregon Transportation Commission's final decision on grant awards. Where necessary, ODOT will return to the Commission for approval of any amended funding recommendation resulting from an appeal.

#### 4.3.2 Funding Availability

ODOT will award funds at its discretion. It is possible that estimates of fund availability could decrease or increase as a result of a loss or gain in projected STIF tax revenue. Because this is a competitive grant program, project rankings will be used to determine which projects may be funded when the STIF fund allocations are finalized.

#### 4.3.3 Match Requirements

The match requirements for projects awarded through this solicitation will vary based on the project type and program funds used to fund the project. Statewide Transit Network projects must meet the match requirements described in [OAR 732-044-0005\(4\)](#).

Eligible project match sources may include federal funds and certain state funds (for example, STIF Formula funds) intended for public transportation purposes, local funds, private contributions, and in-kind labor or contributions. Match contributions, including capital assets such as property, should only be used once as match on a single project and may not be used again as a match. Farebox revenues are not eligible as match.

Applicants seeking STIF Intercommunity funds must demonstrate their ability to provide at least 20 percent of the project's total costs.

The 20 percent match may be reduced to 10 percent, upon ODOT's recommendation, if any of the following characteristics exist:

- The project will predominantly serve or provide access to and from rural communities (communities outside of urbanized areas with populations of fewer than 50,000 people).
- The project will serve an area located outside of a Public Transportation Service Provider's geographic jurisdiction.
- The project will fill a significant gap in the Statewide Transit Network.

- The project will provide statewide benefits to multiple Public Transportation Service Providers. The applicant should identify the benefits to areas outside the jurisdiction where the project will be located. Applicants seeking Federal Transit Administration Section 5311(f) funds must meet the following match requirements:
  - 50 percent match of the net cost for operations projects
  - 20 percent match of the net cost for capital projects and project administration

As defined by ODOT, the net operating deficit to be used as the basis for grant reimbursement is the applicant's operating expenses minus farebox revenue. ODOT defines farebox revenue as money paid by the passenger to the transit provider. Farebox includes fares reimbursed by another provider or through a subsidized ticket program, and sales of tickets and passes. Farebox revenue does not include ticket revenue collected from passengers to be remitted to other public transportation providers for travel on other public transportation services. Applicants may use non-farebox service revenue as match such as freight and interlined ticket sale commissions.

## 4.4 Program Management and Compliance

### 4.4.1 Overview

Under [OAR 732-040-0015](#), all STIF recipients are subject to periodic on-site compliance reviews by ODOT. Under [OAR 732-040-0015\(3\)](#), recipients must have policies and procedures in place to address project implementation such as program management; financial management; operations management; procurement, use, and maintenance of equipment; records retention; compliance with state and federal civil rights laws; and compliance with the Americans with Disabilities Act.

STIF recipients must be prepared to produce a description of the methods, policies, and procedures that will be used to ensure compliance with these rules. Additional information can be found on the [Compliance Review webpage](#).

### 4.4.2 Applicability of Americans with Disabilities Act and Other Transportation-Related Laws

There are many laws pertaining to public transportation, including civil rights, employment, licensure, insurance, and vehicle operations. STIF Discretionary fund recipients and their sub-recipients are responsible for knowing about and complying with applicable laws and regulations.

STIF rule requires compliance with the [Americans with Disabilities Act transportation regulations](#) to the extent that it is required<sup>[4]</sup>. The Americans with Disabilities Act is a federal civil rights law requiring transportation services provided to the public by public agencies and private entities (nonprofit and for-profit) are available to people with disabilities. Applicability of the Americans with Disabilities Act varies according to the type of service, the type of vehicle, the type of provider offering the service, and other variables.

Federally recognized tribal governments are not required by federal law to comply with the Americans with Disabilities Act. Therefore, STIF statute does not compel compliance and tribal governments can follow state or local (tribal) procurement policy for vehicle purchases. As good practice, however, tribal governments are encouraged to share proposed purchases with their regional transit coordinator for review before issuing a purchase order.

#### 4.4.3 Low-Income Reporting

Per OAR 732-040-0025(1), each Qualified Entity receiving STIF funds is required to submit an Annual STIF Low-Income Tax Mitigation Report, detailing any actions taken by Public Transportation Service Providers located within the area of that Qualified Entity to mitigate the impact of the STIF tax on passengers who reside in low-income communities.

Public Transportation Service Providers are responsible for submitting an annual [low-income mitigation form](#) to the appropriate Qualified Entity. The Qualified Entity will coordinate with Public Transportation Service Providers to ensure that ODOT receives this report. Qualified Entities must submit these documents to ODOT no later than 45 days after the end of each fiscal year in which the Qualified Entity receives STIF funds.

#### 4.4.4 Environmental Compliance

Recipients are responsible for:

- Complying with all applicable local, state, and federal environmental rules and regulations, where applicable
- Coordinating with relevant agencies
- Managing any environmental review procedures required to fulfill the project scope of work and deliverables

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<sup>[4]</sup> OAR 732-005-0016 Purpose and Use of STF Moneys (4)(a): Projects must comply with the requirements of USDOT Federal Transit Administration regulations, 49 Code of Federal Regulations PART 37 TRANSPORTATION SERVICES FOR INDIVIDUALS WITH DISABILITIES (Americans with Disabilities Act) section 37.3, as applicable to the specific project and provider.

Proposals contemplating real property improvements should provide a description of the property in question, including size, adjacent roads, access, existing and proposed buildings (including historic preservation status), and any relevant natural features and hazards, such as Federal Emergency Management Agency mapped flood zones, tsunami inundation zones, geologic hazard areas, and nearby water features. The written description should be accompanied by a legible site map depicting narrated features.

Federal Transit Administration funded projects must comply with the National Environmental Policy Act and the rules adopted by the Federal Transit Administration to comply with National Environmental Policy Act. Federal Transit Administration regulations require different levels of analysis and documentation based on project type and environmental impact. It is the recipient's responsibility, in coordination with ODOT, to determine and complete the correct level of environmental review. To fulfill this requirement, a [federal environmental worksheet](#) (including site map/s showing placement of each item) must be submitted to ODOT and, where any federal funding will be used to support the project, be approved by the Federal Transit Administration prior to payment for any ground-disturbing activities.

Where projects involving possible environmental impact are funded solely with state and/or local funds, a [state environmental worksheet](#) (including site maps showing placement of each item) must be submitted to and approved by ODOT prior to payment for any ground-disturbing activities. All STIF Intercommunity projects implemented within the jurisdiction of Energy Trust of Oregon and involving construction or improvement of a real property asset must complete a free consultation with Energy Trust of Oregon to explore opportunities for improved energy efficiency in project implementation or facility design.

#### 4.4.5 Reporting Requirements

Grant recipients are required to report project progress and expenditures throughout the funding period. Statewide Transit Network recipients must satisfy both state and Federal Transit Administration reporting and eligibility requirements. All recipients should be prepared to fulfill the following general reporting requirements.



*Riders enjoying multimodal transportation options.*



- Quarterly reports completed in ODOT's Oregon Public Transit Information System, detailing project progress, outcomes, and expenditures by the recipient and its sub-recipient(s). The quarterly report is due no later than 45 days following the end of each quarter. The fourth quarter report in each fiscal year may be preliminary, pending adjustment based on the recipient's financial audit. The [STIF webpage](#) contains the Statewide Transit Network Reporting Guidance and other guidance materials on project reporting.
- Recipients must maintain all financial records for at least three years after ODOT disperses the final payment under a grant agreement. Recipients must maintain all records relating to capital assets for three years after the disposition of a grant-funded asset as noted in [OAR 732-040-0020](#).
- Documentation on reimbursement requests submitted in Oregon Public Transit Information System as outlined in the [Supporting Documents Checklist](#).
- ODOT may require additional documentation and deliverables beyond those indicated in an application, as appropriate to the project.
- Recipients must submit copies of sub-recipient agreements to ODOT within 30 days of fully executing the sub-recipient agreement as noted in [OAR 732-044-0035\(4\)](#).
- Recipients that have acquired, purchased, or leased capital assets using STIF funds must provide ODOT with a capital asset inventory. The inventory must include the following information as noted in [OAR 732-044-0050](#):
  - Purchase date and price
  - STIF and other funds used for the purchase
  - Authorized use and operator
  - Asset description as follows:
    - **Vehicles:** make, model, quantity, size, number of securement stations, seats with and without securement stations deployed, fuel system, mileage, and condition
    - **Improvements to real property (facilities, buildings, shelters):** location, current disposition, condition, and status
    - **Equipment:** make, model, quantity, and condition

The capital asset inventory must be updated at regular intervals as specified by ODOT Reporting is required as long as the capital asset is in use for public transportation, regardless of the expected useful life of the asset.

#### 4.4.5.1 Capital Assets

Grant recipients should understand the unique reporting, environmental review, and documentation processes associated with the purchase of capital assets. The requirements vary based on the source of funding, project type, and applicable local, state, and federal regulations. It is the grant recipient's responsibility to understand and comply with all applicable requirements.

[OAR 732-044-0050](#) specifies the capital asset requirements for recipients of STIF discretionary funds.

To be eligible to receive Statewide Transit Network funds to acquire vehicles, an applicant must demonstrate in their grant application that the recipient or sub-recipient who will acquire the capital asset(s) has committed to continually use the vehicle for the approved purpose for the useful life of the asset(s). However, capital asset inventory reporting is still required as long as the capital asset is in use for public transportation.

To be eligible to receive Statewide Transit Network funds for a real property capital asset (for example, a transit facility, bus barn, maintenance facility, land, or administration building), an applicant must demonstrate in their grant application one or more of the following, depending on asset type:

- Recipient or sub-recipient ownership of the property upon which the capital asset will be located
- Recipient or sub-recipient possession of an executed lease agreement for the property location where the capital asset will be located, and that will be in place for the useful life of the capital asset
- Recipient or sub-recipient possession of an executed lien on the property upon which the capital asset will be located, for the useful life of the capital asset
- In the case of a project that will utilize property owned by a local city, county, or government, an executed intergovernmental agreement with the property owner guaranteeing ongoing use for the duration of the useful life of the capital asset
- In the case of a project to purchase land, an option to purchase the land identified in the project

#### 4.4.6 Annual Reports

All STIF fund recipients and sub-recipients must submit the following items to ODOT on an annual basis to fulfill requirements outlined in [OAR 732-040-0025](#):

- Low-income impact mitigation report
- Qualified Entity's adopted annual budget for the upcoming fiscal year
- Results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity

#### 4.4.7 Annual Budget

The Qualified Entity's adopted annual budget for the upcoming fiscal year must be submitted no later than 30 days after adoption.

This can be sent to ODOT via email at [ODOTPTDReporting@odot.oregon.gov](mailto:ODOTPTDReporting@odot.oregon.gov).

#### 4.4.8 Financial Audits

The results of any relevant financial audits of the Qualified Entity or any sub-recipient located within the area of the Qualified Entity, as required by a local, state or federal oversight agency for the purposes of statewide reporting including, should be sent to ODOT on an annual basis.

This includes but is not limited to the following:

1. The state financial report required under [ORS 291.040](#)
2. The results of any comprehensive review completed by the Federal Transit Administration or ODOT
3. Any information submitted by the Qualified Entity as part of the requirements of a statewide audit in accordance with the federal Single Audit Act of 1984 (31 U.S.C. 7501 to 7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156)



*Transit rider with an assistive device poses with art in front of a trolley.*

## 4.5 STIF and the Oregon Public Transportation Plan

State discretionary grant programs provide an opportunity for ODOT to encourage and support projects that meet local needs while aligning with state public transportation priorities. This approach ensures that both state and local priorities are addressed through competitive grant awards.

The [Oregon Public Transportation Plan](#), adopted by the Oregon Transportation Commission in September 2018, provides overarching policy guidance for public transportation in Oregon. The Oregon Public Transportation Plan contains 10 state public transportation goals. All ODOT discretionary grant programs incorporate these goals into the selection process. ODOT has developed selection criteria that reflect these goals, ensuring projects selected by evaluators advances statewide priorities.



# A

## Appendix

Statewide Transportation Improvement  
Fund Program Guidebook

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## Appendix A: Definitions

- **Advisory Committee** – either a committee formed by a Qualified Entity to assist the Qualified Entity in carrying out the purposes of the Statewide Transportation Improvement Fund (STIF) Formula fund and the Advisory Committee requirements specified in Oregon Revised Statutes ([ORS 184.761\(1\)](#)) or a joint committee formed by two or more Qualified Entities for the same purposes, pursuant to ORS 184.761(5).
- **Americans with Disabilities Act** – section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 as amended by the Americans with Disabilities Act Amendments Act of 2008.
- **Biennium** – a two-year period which runs from July 1 of an odd-numbered year to June 30 of the next odd-numbered year.
- **Capital Asset** – real property or tangible items purchased or leased with STIF moneys, including without limitation vehicles and structures, with a purchase price of \$5,000 or more and a useful life of at least one year.
- **Client-Only Project** – a project where the underlying transportation service is offered to a limited group of people and not made available to the general public.
- **Discretionary fund** – up to five percent of STIF funds to be disbursed to Public Transportation Service Providers, which includes Qualified Entities, through a competitive grant funding process, pursuant to [ORS184.758\(1\)\(b\)](#).
- **Fiscal Year** – the Oregon Department of Transportation (ODOT)'s fiscal year, which begins on July 1 and ends on June 30.
- **Federal Transit Administration Section 5311(f)** – the federal funding program with a focus on longer distance, non-commute transit service connecting communities with infrequent stops and, where possible, meaningful connections to the larger transit network.
- **Governing Body** – the decision-making body or board of a Qualified Entity.
- **Federally recognized tribe** – a federally recognized tribe in Oregon that has members residing on a reservation or in tribal trust lands in Oregon.
- **Intercommunity fund** – up to four percent of STIF funds to be disbursed to Public Transportation Providers through a competitive grant funding process, pursuant to [ORS 184.758\(2\)\(c\)](#).
- **Intergovernmental Entity** – entities organized under [ORS 190.010](#).

- **Local Plan** – a local or regional public transportation plan(s), which may include adopted policy(ies) that is developed and approved by the Governing Body of a Qualified Entity, Public Transportation Service Provider, or Metropolitan Planning Organization. Local plans include, but are not limited to, coordinated public transit human services transportation plans, transportation system plans, transit development plans, and transit master plans.
- **Low-income Household** – a household the total income of which does not exceed 200 percent of the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2) for the 48 contiguous states and the District of Columbia.
- **Mass Transit District** – a district organized under [ORS 267.010 to 267.390](#).
- **Ongoing Operations Project** – a public transportation project that was funded partially or entirely with STIF funds during the immediate prior biennium. These projects may not be funded under the STIF Discretionary fund Program. Expansion or increase in frequency of a public transportation service project or program is not considered “ongoing.”<sup>[5]</sup>
- **Oregon Transportation Commission (Commission)** – established under ORS 184.612.
- **Payroll-Based Formula** – the portion of STIF Formula funds disbursed per ORS 184.758(5).
- **Population-Based Formula** – the portion of STIF Formula funds disbursed per ORS 184.758(3).
- **Project** – a public transportation improvement activity or group of activities eligible for STIF funds and a plan or proposal for which is included in a STIF Plan or in a grant application to a Qualified Entity or ODOT. Examples of project types include, but are not limited to, discrete activities, such as purchasing transit vehicles, planning, or operations; and groups of activities for a particular geographic area or new service, such as a new route that includes purchase of a transit vehicle, and maintenance and operations on the new route.
- **Public Corporation** – an independent legal entity that was formed by legislative action, serves a public purpose, and is under exclusive public management or control.
- **Public Transportation Advisory Committee** – the ODOT Public Transportation Advisory Committee established by the Oregon Transportation Commission in 2000.
- **Public Transportation Service Provider** – a Qualified Entity or a city, county, special district, intergovernmental entity, or any other political subdivision or municipal or public corporation that provides public transportation services.
- **Public Transportation Services** – any form of passenger transportation by car, bus, or other conveyance, either publicly or privately owned, which provides service to the general public (not including charter, sightseeing, or exclusive school bus service) on a regular and

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<sup>[5]</sup> Eligibility of pilot projects that were previously funded under STIF Discretionary but were not completed during the 2019-21 biennium will be determined on a case-by-case basis.



continuing basis. Such transportation may include services designed to meet the needs of a specific user group, including for older adults and individuals with disabilities, for purposes such as health care, shopping, education, employment, public services, personal business, or recreation. Public Transportation Services must be designed and advertised as shared-ride service.

- **Qualified Entity** – a county in which no part of a mass transit district or transportation district exists, a mass transit district, a transportation district or a federally recognized tribe.
- **Recipient** – a Qualified Entity or Public Transportation Service Provider that has a STIF Plan approved by the Oregon Transportation Commission or enters into an agreement directly with ODOT to receive STIF funds.
- **Shared-Ride Service** – a service where neither the operator nor any passenger may refuse to permit additional passengers that are otherwise complying with the operator’s rules and policies.
- **Special District** – a service district organized under [ORS 451.010\(1\)\(h\)](#).
- **Statewide Transit Network Program** – an ODOT program with an emphasis on investments that improve the Oregon Statewide Transit Network. Funding is from the STIF Intercommunity fund, Federal Transit Administration Section 5311(f), and other fund sources, as available.
- **STIF Formula Fund** – up to 90 percent of the STIF funds to be disbursed to Qualified Entities conditioned upon the Oregon Transportation Commission’s approval of a STIF Plan, pursuant to [ORS 184.758\(2\)\(a\)](#).
- **Statewide Transportation Improvement Fund (STIF)** – the fund established under [ORS 184.751](#).
- **STIF Plan** – a public transportation improvement plan that is approved by a Governing Body and submitted to ODOT for review and approval by the Oregon Transportation Commission in order for the Qualified Entity to receive a share of the STIF Formula fund.
- **Student Transit Services** – Public Transportation Services within the Qualified Entity's area of responsibility that can feasibly and efficiently be used by students in grades 9 through 12.
- **Sub-recipient** – any entity that has entered into an agreement with a recipient in order to complete one or more tasks specified in the agreement between ODOT and the recipient.
- **Transportation District** – a district organized under [ORS 267.510 to 267.650](#).
- **Work Group** – a subcommittee formed by a Qualified Entity's Governing Body or Advisory Committee for the purpose of providing additional input on STIF Formula fund projects.

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## Appendix B: STIF Oregon Administrative Rules

### STIF General Information

The rules in Chapter 732, Divisions [40](#), [42](#), and [44](#) establish the procedures and requirements for the administration of the Statewide Transportation Improvement Fund (STIF) to improve public transportation service in Oregon. This resource provides information on: definitions, the purpose and use of STIF, audit and compliance review requirements, Qualified Entity reporting requirements, Advisory Committees, Advisory Committee composition, Qualified Entity management and joint management of STIF funds, withholding funds, appeal procedures, and the creation of new mass transit districts or transportation districts.

### STIF Formula Fund

The rules in Chapter 732, Division [42](#) establish procedures and requirements necessary for the administration of the STIF Formula fund, pursuant to Oregon Revised Statutes (ORS) 184.758(1)(a). This resource provides information on: the STIF Formula fund cycle and calculation and disbursement, STIF Plan contents, Advisory Committee review of proposed projects, Commission approval of the STIF Plan, Qualified Entity failure to apply or withdrawal from the STIF Formula fund, reporting requirements, and capital asset requirements.

### STIF Discretionary Fund

The rules in Chapter 732, Division [44](#) provide information on: project eligibility and match, solicitation and application submission periods, application requirements, recipient qualifications, Advisory Committee review of projects under these programs, project selection, agreements, reporting requirements, withholding or repayment of funds, and capital asset requirements.



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## Appendix C: Potential Data Sources

Resources for determining the appropriate sub-allocation method between Qualified Entities and Public Transportation Service Providers are as follows:

- Payroll data for cities can be attained by contacting an Oregon Employment Department regional economist in your area. The list of local economists is available on the [Contact Us tab at QualityInfo.org](#).
- If the Oregon Employment Department is unable to fulfill the data request, Qualified Entities and Public Transportation Service Providers may consider using population data, recognizing that population does not necessarily mirror employee payroll generation:
  - [Portland State University publishes annual population estimates for cities and towns](#)
  - The U.S. Census Bureau reports population data at a variety of geographic levels available through the [American FactFinder](#)

This list is not exhaustive. Questions about other proposed data sources should be directed to Andrew O’Keefe, Fiscal Manager, ODOT Public Transportation Division by email at [Andrew.S.Keefe@odot.oregon.gov](mailto:Andrew.S.Keefe@odot.oregon.gov).

Resources for determining if a project serves a “high percentage of low-income households” are as follows:

- Demographic data, including the percentage of low-income households at the county level, can be found in transit development plans and coordinated human services transportation plans.
- The percentage of low-income households is typically given at the county level in a demographic table in the baselines conditions section of a transit development plan per [Chapter 6 of Oregon Department of Transportation Transit Development Plan Guidebook](#).
- The percentage of low-income households is typically given at the county level in a demographic table in the demographics section of coordinated plans.
- [Federal poverty guidelines and other resources on poverty measurement](#).
- [EJSCREEN](#), is an environmental justice mapping and screening tool that provides a nationally consistent dataset for combining environmental and demographic indicators.
- [U.S. Census Bureau information](#).

Note: Each Qualified Entity must describe and justify its method in its STIF Plan.

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