

LOCAL GOVERNMENT ASSISTANCE

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LOCAL GOVERNMENT ASSISTANCE

OVERVIEW

The Texas Department of Transportation (TxDOT) provides a variety of programs and initiatives that help local governments build and maintain roads and other transportation infrastructure within their jurisdictions. As state and local governments face the challenges of increasing traffic due to population growth and economic expansion, it is critical that TxDOT and local governments work together to maximize the benefits provided through joint planning, joint funding of critical projects and effectively maintaining current facilities.



The Local Government Projects Section leads TxDOT's oversight of projects delivered by local governments that are partially or fully funded with Federal Highway Administration or TxDOT funds. TxDOT develops policies and procedures for local government project delivery, provides training to TxDOT and local government agency personnel involved in these projects and monitors local government agency performance and implementation of these policies, procedures and projects.

With TxDOT approval, local government entities (such as municipalities, counties, Regional Mobility Authorities and Metropolitan Planning Organizations) can be responsible for major tasks of the project development process for transportation system improvement projects. Local governments must comply with all applicable state and federal to be reimbursed by TxDOT for eligible project costs. TxDOT districts are responsible for overseeing local government agency delivery of these projects to ensure compliance with governing policies, procedures, plans and specifications.

TxDOT currently has joint funding and project delivery agreements with more than 200 local government entities. These local government entities are leading various project

development activities on more than 900 active projects with an estimated total project cost of approximately \$700 million per year. Total project cost includes all phases of project development as well as funds from federal, state and local sources. During fiscal year 2017, local governments were reimbursed approximately \$161 million in federal funds on transportation improvement projects.

State and federal law provides many options for local governments to access available funds through TxDOT. The following resources listed are options for local government assistance.

STATE INFRASTRUCTURE BANK

The State Infrastructure Bank is a revolving loan fund that allows borrowers to access capital funds at or below market interest rates. State Infrastructure Bank financial assistance can be granted to any public or private entity authorized to construct, maintain or finance an eligible transportation project. The overall goal of the State Infrastructure Bank program is to provide innovative financing methods to communities to assist them in meeting their infrastructure

needs. Since 1997, when the Texas Legislature authorized TxDOT to administer the program, the Texas Transportation Commission has approved 114 loans totaling more than \$605 million from the State Infrastructure Bank. The loans have helped leverage more than \$4.9 billion in transportation projects in Texas.



TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT

The Transportation Infrastructure Finance and Innovation Act (or “TIFA”) is a federal program administered by the United States Department of Transportation and provides federal credit assistance in the form of direct loans, loan guarantees and standby lines of credit to finance surface transportation projects of national and regional significance.

TRANSPORTATION REINVESTMENT ZONES

A Transportation Reinvestment Zone (or “TRZ”) provides a method for authorized local governmental entities to dedicate tax increments to finance transportation infrastructure projects within a designated geographical area.

BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT DISCRETIONARY GRANT PROGRAM

Under the Better Utilizing Investments to Leverage Development discretionary grant program (or “BUILD”) the United States Department of Transportation intermittently issues calls for candidate projects that allow state and local governments to compete for federal funds for surface transportation infrastructure projects.

COUNTY TRANSPORTATION INFRASTRUCTURE FUND GRANT PROGRAM

The County Transportation Infrastructure Fund Grant Program Legislation enacted in 2013 (Senate Bill 1747 and House Bill 1025, 83rd Regular Session) created and funded a grant program for county roads impacted by the state’s energy development and directed TxDOT to administer the program. The program allocated \$224.5 million to be distributed to eligible counties. In fiscal year 2014, 191 counties submitted applications to TxDOT and were awarded funding under this program. Through November 2, 2018, approximately \$213.4 million worth of improvements have been implemented throughout 191 counties under this program. All available funds have been allocated to counties for this program. 162 counties have completed work with their available funds.

FEDERAL FUNDS

Federal motor fuel tax receipts are deposited into the Federal Highway Trust Fund and distributed to states to fund construction of eligible transportation projects. TxDOT administers the funds to local governments. Some of the various federal programs that have provided funding for local projects include:

- Transportation Alternatives Set Aside Program.
- Surface Transportation Program.
- Metropolitan Mobility Program.
- Congestion, Mitigation and Air Quality Program.
- Highway Bridge Program.

Projects may be awarded funding under these federal funding programs by the local TxDOT district or by the regional Metropolitan Planning Organization.

STATE FUNDS

TxDOT administers state funds to local governments. Some of the various state programs that have provided funding for local projects include:

- Border Colonias Access Program.
- County Transportation Infrastructure Fund Program.
- Local Government Assistance Program.



BORDER COLONIAS ACCESS PROGRAM

Legislation enacted in 2001 and amended in 2003 created the Border Colonia Access Program, which was funded by \$175 million in general obligation bonds authorized by a Texas Constitutional amendment approved by the voters in 2001 and issued by the Texas Public Finance Authority. Since then, TxDOT has made those funds available to border counties to improve colonia roads through paving and drainage projects.

Using Border Colonia Access Program funds, TxDOT has worked with participating counties to pave and improve drainage (e.g. by installing curbs and gutters or building retention ponds) for more than 600 miles of colonia roads. Through May 31, 2018, more than 650 projects have been completed and \$172.4 million of the fund has been reimbursed to the counties for eligible project-related costs. As of June 1, 2018, \$2.6 million remains available for reimbursement for remaining projects. All currently available funds have been allocated for this program, but not all of the funds have been requested to be reimbursed to the counties for projects.

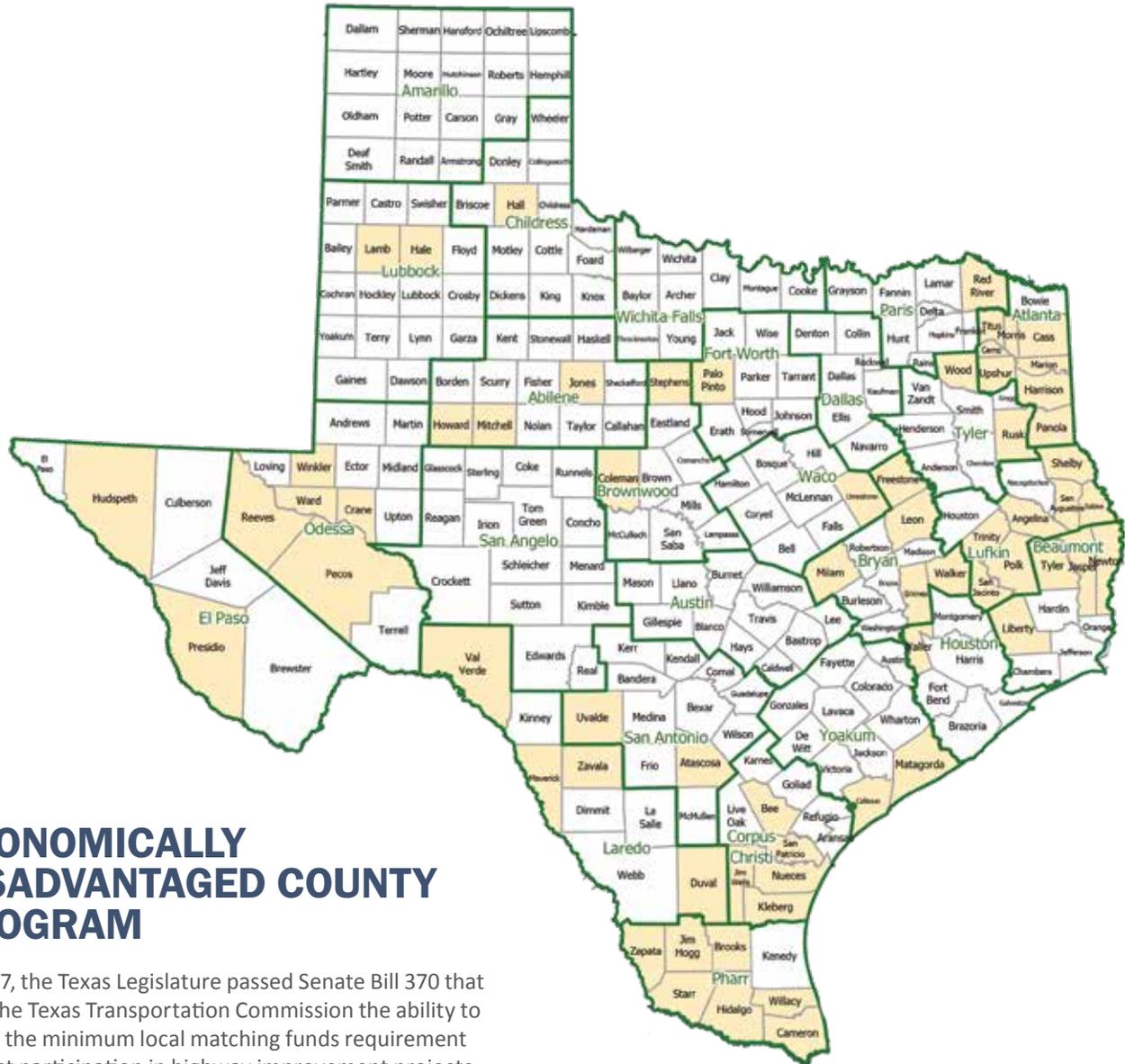
LOCAL GOVERNMENT ASSISTANCE PROGRAM

Section 201.706, Texas Transportation Code, requires TxDOT to assist cities and counties with the maintenance of city streets and county roads by providing engineering and maintenance expertise on roadway maintenance and by providing available surplus materials to any local government. Distributed materials may include surplus materials on hand or new materials. Local government officials should contact their District Engineer to obtain additional information about this program.



Economically Disadvantaged Counties in Texas (Fiscal Year 2019)

 Eligible Counties



ECONOMICALLY DISADVANTAGED COUNTY PROGRAM

In 1997, the Texas Legislature passed Senate Bill 370 that gave the Texas Transportation Commission the ability to adjust the minimum local matching funds requirement for cost participation in highway improvement projects. An economically disadvantaged county, when compared to other counties in the state, has the following characteristics:

- Below average per capita taxable property value.
- Below average per capita income.
- Above average unemployment.

TxDOT identifies counties that meet all three criteria on an annual basis using data from the Texas Comptroller of Public Accounts. The amount of relief granted to eligible projects is based on a formula developed to measure a local government’s effort and ability to provide their local match for projects.



FOR MORE INFORMATION



SCAN WITH SMART PHONE

Find a current map and other resources at www.txdot.gov keyword search “Economically Disadvantaged”.

TEXAS DEPARTMENT OF TRANSPORTATION



VALUES:

People

People are the Department's most important customer, asset, and resource. The well-being, safety, and quality of life for Texans and the traveling public are of the utmost concern to the Department. We focus on relationship building, customer service, and partnerships.

Accountability

We accept responsibility for our actions and promote open communication and transparency at all times.

Trust

We strive to earn and maintain confidence through reliable and ethical decision-making.

Honesty

We conduct ourselves with the highest degree of integrity, respect, and truthfulness.

VISION:

A forward-thinking leader delivering mobility, enabling economic opportunity, and enhancing quality of life for all Texans.

MISSION:

Through collaboration and leadership, we deliver a safe, reliable, and integrated transportation system that enables the movement of people and goods.

GOALS AND OBJECTIVES:

- **Deliver the Right Projects** – Implement effective planning and forecasting processes that deliver the right projects on-time and on-budget.
- **Focus on the Customer** – People are at the center of everything we do.
- **Foster Stewardship** – Ensure efficient use of state resources.
- **Optimize System Performance** – Develop and operate an integrated transportation system that provides reliable and accessible mobility, and enables economic growth.
- **Preserve our Assets** – Deliver preventive maintenance for TxDOT's system and capital assets to protect our investments.
- **Promote Safety** – Champion a culture of safety.
- **Value our Employees** – Respect and care for the well-being and development of our employees.



This document is part of an educational series on transportation issues produced by the Texas Department of Transportation. This document, the full Educational Series and other helpful resources can be found online at www.txdot.gov keyword search "State Legislative Affairs".