



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: June 17, 2024		Subject: Statewide Transportation Improvement Fund (STIF) Plan for the FY26-27 Biennium	
		Staff Member: Kelsey Lewis, Grants & Programs Manager and Brad Dillingham, Transit Operations Manager	
		Department: SMART	
Action Required		Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Staff is seeking input from the City Council on the Statewide Transportation Improvement Fund plan for the fiscal year 2026-2027 biennium.			
Recommended Language for Motion: N/A			
Project / Issue Relates To:			
<input type="checkbox"/> Council Goals/Priorities:	<input checked="" type="checkbox"/> Adopted Master Plan(s): Transit Master Plan	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Staff will present SMART’s plan for Statewide Transportation Improvement Fund expenditures for the fiscal year (FY) 2026-2027 biennium.

EXECUTIVE SUMMARY:

The Oregon Legislature enacted House Bill 2017 in mid-2017 which created a new payroll tax dedicated to the expansion of public transportation services. The payroll tax became effective in 2018 and is included in the Statewide Transportation Improvement Fund (STIF). The fund is administered by the Oregon Department of Transportation (ODOT). ODOT disperses 90% of the STIF funds, following a specific formula, to Qualified Entities (QE) based on the amount of payroll tax generated in their region.

TriMet serves as the QE for the tri-county region for the purpose of administering the STIF planning process. This includes receiving and distributing STIF funds to Clackamas, Multnomah and Washington counties. Each STIF plan covers a period of two years. The FY 2024-2025 plan was reviewed by the City Council in 2023. The current STIF planning process is underway for the FY 2026-2027 plan. As part of the planning process, SMART is required to submit a two-year plan that outlines the projects that will utilize STIF funding. The plan is then submitted to TriMet and sent to the Oregon Transportation Commission (OTC) for final approval.

The City Council will need to approve an intergovernmental agreement (IGA) between the City and TriMet at a future council meeting which will contain the final plan. The estimate for STIF revenue in this period is \$4 million for the biennium. Staff is also including \$2.5 million in anticipated unspent funds from prior years, and \$1.6 million in Regional Coordination funds from TriMet for a total of \$8.1 million.

In order to receive STIF funding, a project must be included in the plan. If a project was approved in a previous plan, it must continue to appear in subsequent plans to receive funding during the new plan cycle. The list of projects below are consistent with the Transit Master Plan and are either new or existing projects.

Continuing Projects from Existing STIF Plan

- Route 2X Express Service from Tualatin to Wilsonville
- Continued Service on Routes 1X, 2X, 7 and Neighborhood Shuttles
- I-205 Express Service to Clackamas Town Center
- Alternative Fuel Buses- Grant Match
- Transit Oriented Development Customer Service (2.0 FTE)
- Service Expansion to Woodburn
- Out-of-town Medical Dial-a-Ride Service
- STIF Audit
- Program Reserve

New Projects Proposed in 2026-2027 STIF Plan

- Bus Stop Amenities to Improve Access to Transit
- Supervisor Van
- Fleet Technology Staffing (0.75 FTE)
- Consultant for Town Center Transit Hub Siting

Approximate Funding

Direct STIF Funds: \$4,000,000
Regional Coordination Funds: \$1,600,000
Previous Plan Unspent Funds: \$2,500,000
Total: \$8,100,000

TIMELINE:

Staff intends to submit the plan to TriMet in July or August 2024. TriMet is responsible for combining and submitting the Tri-County regional public service providers’ STIF plans as the region’s Qualified Entity. TriMet is required to have the entire plan approved by their Board of Directors before advancing the STIF plan to ODOT. This is anticipated to happen in the fall. Finally, the OTC is expected to approve the plan in January 2025.

CURRENT YEAR BUDGET IMPACTS:

There are no current budget year impacts.

COMMUNITY INVOLVEMENT PROCESS:

Project ideas in this plan come from public engagement during the creation of the 2023 Transit Master Plan. This plan is available at <https://www.ridesmart.com/transit/page/transit-master-plan>.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

All of these projects will increase access to and utilization of the transit system in Wilsonville.

ALTERNATIVES:

The City Council could choose not to advance the STIF plan, however, if SMART does not submit a plan, SMART will not be eligible for STIF funds during the biennium.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

N/A