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David J. Mohler
Executive Director
Office of Transportation Planning
Massachusetts Department of Transportation
10 Park Plaza
Boston, MA 02116

January 25, 2022

Subject: Federal Fiscal Year (FFY) 2023-2027 Statewide and Metropolitan Transportation Improvement Program and FFY 2023 Unified Planning Work Program Guidance

Dear Mr. Mohler:

As you begin developing the Statewide and Metropolitan Transportation Improvement Programs (S/TIPs) for FFY 2023-2027 and the Unified Planning Work Programs (UPWPs) for FFY 2023, the Federal Highway Administration's Massachusetts Division Office (FHWA) and the Federal Transit Administration's Region 1 Office (FTA) want to remind you and the Metropolitan Planning Organizations (MPOs) of the federal planning requirements. Attachment A to this letter highlights specific requirements that should be followed, and Attachment B includes the most recent Planning Emphasis Areas (PEAs), which we encourage you to incorporate into statewide and metropolitan planning documents.

In addition to providing Attachment A and B, we offer the following recommendations and information:

- **Planning Findings** – The FFY 2022 Federal Planning Finding (FPF) determined the transportation planning process through which statewide and metropolitan transportation plans and programs are developed is consistent with federal requirements. The FPF included six recommendations (Financial Planning and Fiscal Constraint, Planning and Environmental Linkages, Transit Project Listings, FTA Planning Funding, Public Participation and Virtual Public Involvement, and 2020 Census and PL Funding Formula). We encourage MassDOT and the MPOs to review the FPF and to keep in mind the recommendations during the development of the S/TIPs and UPWPs for this upcoming cycle. Additionally, we encourage MassDOT and the MPOs to review and keep in mind findings from past TMA Certification Reviews during the development of the S/TIPs and UPWPs. We reemphasize the importance of the recommendations included in the FPF and in TMA Certification Reviews, as they provide opportunities to improve the transportation planning process.

- **Planning Emphasis Areas¹** – On December 30, 2021, FHWA and FTA jointly issued updated Planning Emphasis Areas (PEAs) for use in the development of the metropolitan and statewide planning and research work programs. The 2021 PEAs replace the 2015 PEAs and encourage States and MPOs to focus on climate and clean energy, equity, complete streets, public involvement, Department of Defense coordination, Federal Land Management Agency coordination, planning and environmental linkages, and data sharing in the transportation planning process. The official memo issued by FHWA and FTA is included in Attachment B. We encourage MassDOT and the MPOs to incorporate and keep these PEAs in mind during the development of the S/TIPs and UPWPs.
- **UPWP Reporting** – UPWP annual performance reports and financial summaries are required to be submitted to FHWA and FTA within 90 days after the end of the reporting period (end of FFY). In Massachusetts, this is December 30 of every year. Please ensure that each annual performance report includes the following:
 - Accomplishments and progress made by task and sub-task (e.g., Task 1.1, 1.2, 1.3, etc.); and
 - Table of expenditures by task and sub-task that includes the original budget, amended budget, expenditures, and remaining balance.

We will review and provide any necessary feedback on the UPWP annual performance reports to MassDOT and the respective MPOs.

Beginning in FFY 2023, UPWP quarterly progress and expenditure reports are no longer required. In lieu of UPWP quarterly progress reports, MassDOT should share copies of the monthly UPWP invoice progress reports with FHWA.

- **UPWP Amendments and Administrative Modifications** – Amendments are defined as significant changes to the overall UPWP that require federal approval. Administrative modifications are minor adjustments to the overall UPWP that do not require federal approval. More specifically, **Amendments** to the UPWP include the following:
 - Addition or deletion of a UPWP task or sub-task;
 - Major changes to UPWP task descriptions, activities, and other information;
 - Funding increase above the originally approved UPWP overall budget;
 - Funding transfers between tasks equal to or greater than 25% of the UPWP task budget; and
 - Funding increase or decrease equal to or greater than 25% of the UPWP task budget.

Administrative modifications to the UPWP include the following:

- Minor changes to UPWP task descriptions, activities, and other information;
- Funding transfers between UPWP tasks less than 25% of the UPWP task budget; and
- Funding increase or decrease less than 25% of the UPWP task budget.

¹ Planning Emphasis Areas are not to be confused with the Planning Factors listed in 23 CFR 450.206 and 23 CFR 450.306. The Planning Factors remain the same and should be incorporated into appropriate statewide and metropolitan planning documents, as required.

- **Flexing Funds/Transfers to FTA** – FHWA and FTA strongly encourage the transfer of funds to FTA to occur as early as possible in the FFY, as this will ensure the funds will be transferred and obligated prior to FTA’s financial systems closing in September. Please note that if transfers are not initiated and received by the FHWA Division Office by May 1, there is no guarantee the transfers will be transferred to FTA and obligated by the end of the FFY.
- **Inflation Rates in the S/TIPs** – The cost estimates for the S/TIPs must use an inflation rate to reflect the “year of expenditure dollars.” As stated in previous years, MassDOT and MPOs are encouraged to use state and/or local cost data to develop cost inflation indices. As an alternative, FHWA would accept MassDOT and MPOs using an inflation rate of four percent (4%) per annum. The inflation must be added to the cost estimates for all projects from the second to the fourth year in the S/TIPs. The inflation rate applies only to “planning/programming” level cost estimates. As projects advance through project development to construction, project level estimates should be updated. The S/TIPs should include a brief description stating that the inflation rate was accounted for in the cost estimates.
- **Advance Construction (AC)** – AC should only be used if: 1) Project construction, due to engineering decisions, would be scheduled to span the years for which the funding is programmed; and 2) there is a program necessity that would make the impacts of not programming using AC significant, as compared to the financial impacts to the program considering the AC amount. AC should not be used solely as a means to fund a project.

With respect to MPO target programming, AC should generally be used for projects that exceed an MPO’s annual target. For the Boston Region MPO and MassDOT, AC may be used for projects that are \$25 million or more.

Clear information should be provided for projects that are advance constructed in order to determine the timeframe of the AC. For example, if a project is advance constructed over two years, a note should be included in the project description within the S/TIPs to indicate the AC year, such as “AC year 1/2” or “AC year 2/2.” The STIP should include a schedule of all AC funded projects and be updated based on any project changes. Any exceptions to AC guidance should be approved by the appropriate federal agency before programming occurs. Updated AC tables reflecting project changes should be submitted with each STIP amendment.

- **Sequential Project Programming in the S/TIPs** – When a FHWA project is programmed on the S/TIPs, it should be sequentially programmed until completion. If FHWA funds are to be used for design, the construction phase should be programmed within the timeframe of the S/TIPs, once design is completed. FHWA funds used for design are subject to repayment when the right-of-way or construction has not occurred by the 10th fiscal year following the year when the funds were first authorized.

We look forward to working with you throughout the development of the FY 2023-2027 STIP, TIPS, and 2023 UPWPs. Please contact Cassie Ostrander (cassandra.ostrander@dot.gov | 617-494-3113) or Ryan Bartlett (ryan.bartlett@dot.gov | 617-494-3940) if you have any questions.

Sincerely,

Cassandra Ostrander
Program Development Team Leader
Federal Highway Administration

Ryan Bartlett
Acting Director of Planning & Program Development
Federal Transit Administration

cc: Steve Woelfel, MassDOT
Derek Krevat, MassDOT
Derek Shooster, MassDOT
Christopher Klem, MassDOT
Massachusetts Regional Planning Agencies

***Attachment A: Statewide and Metropolitan Transportation Improvement Program
and Unified Planning Work Program Regulations***

The requirements for developing the STIP, TIPs and UPWPs reside in 23 CFR 450, 23 CFR 420 and 23 CFR 490. Some key regulations are highlighted below. However, please keep in mind this list is not inclusive of all the federal planning requirements.

STIP

- Amendments and Administrative Modifications: 23 CFR 450.104 and 23 CFR 450.218(n)
- Funding and Fiscal Constraint: 23 CFR 450.104 and 23 CFR 450.218(m), (n) and (o)
- Performance-based Planning and Programming: 23 CFR 450.218(q)
- Regionally Significant Projects: 23 CFR 450.218(h)
- Self-Certifications: 23 CFR 450.220
- Project Descriptions and Phases of Work: 23 CFR 450.218(i)
- TIP inclusion in STIP: 23 CFR 450.328(b)

TIP

- Amendments and Administrative Modifications: 23 CFR 450.104 and 23 CFR 450.328(a)
- Funding and Fiscal Constraint: 23 CFR 450.104 and 23 CFR 450.326(j) and (k)
- Performance-based Planning and Programming: 23 CFR 450.326(d)
- Regionally Significant Projects: 23 CFR 450.326(f)
- Self-Certifications: 23 CFR 450.336
- Project Descriptions and Phases of Work: 23 CFR 450.326(g)
- TIP inclusion in STIP: 23 CFR 450.328(b)
- Annual Listing of Obligated Projects: 23 CFR 450.334

UPWP

- Amendments and Administrative Modifications: 23 CFR 450.104
- Annual Reports and Quarterly Reports: 23 CFR 420.117(b) and (c)
- Development and Content: 23 CFR 450.104, 23 CFR 450.308(c) and CFR 420.111(b)(1)
- Eligibility: 23 CFR 420.113



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Attachment B: 2021 FHWA and FTA Planning Emphasis Areas

Office of the Administrator

1200 New Jersey Ave., SE
Washington, D.C. 20590

Federal Transit
Administration

December 30, 2021

Attention: FHWA Division Administrators
FTA Regional Administrators

Subject: 2021 Planning Emphasis Areas for use in the development of Metropolitan and Statewide Planning and Research Work programs.

With continued focus on transportation planning the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) Offices of Planning are jointly issuing updated Planning Emphasis Areas (PEAs). The PEAs are areas that FHWA and FTA field offices should emphasize when meeting with the metropolitan planning organizations, State departments of transportation, Public Transportation Agencies, and Federal Land Management Agency counterparts to identify and develop tasks associated with the Unified Planning Work Program and the Statewide Planning and Research Program. We recognize the variability of work program development and update cycles, so we encourage field offices to incorporate these PEAs as programs are updated.

Please note that this letter is intended only to provide clarity regarding existing requirements. It is not binding and does not have the force and effect of law. All relevant statutes and regulations still apply.

Sincerely,

Nuria Fernandez
Administrator
Federal Transit Administration

Stephanie Pollack
Deputy Administrator
Federal Highway Administration

Enclosure

2021 Planning Emphasis Areas:

Tackling the Climate Crisis – Transition to a Clean Energy, Resilient Future

Federal Highway Administration (FHWA) divisions and Federal Transit Administration (FTA) regional offices should work with State departments of transportation (State DOT), metropolitan planning organizations (MPO), and providers of public transportation to ensure that our transportation plans and infrastructure investments help achieve the national greenhouse gas reduction goals of 50-52 percent below 2005 levels by 2030, and net-zero emissions by 2050, and increase resilience to extreme weather events and other disasters resulting from the increasing effects of climate change. Field offices should encourage State DOTs and MPOs to use the transportation planning process to accelerate the transition toward electric and other alternative fueled vehicles, plan for a sustainable infrastructure system that works for all users, and undertake actions to prepare for and adapt to the impacts of climate change. Appropriate Unified Planning Work Program work tasks could include identifying the barriers to and opportunities for deployment of fueling and charging infrastructure; evaluating opportunities to reduce greenhouse gas emissions by reducing single-occupancy vehicle trips and increasing access to public transportation, shift to lower emission modes of transportation ; and identifying transportation system vulnerabilities to climate change impacts and evaluating potential solutions. We encourage you to visit FHWA’s [Sustainable Transportation](#) or FTA’s [Transit and Sustainability](#) Webpages for more information.

(See [EO 14008](#) on “Tackling the Climate Crisis at Home and Abroad,” [EO 13990](#) on “Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis.” [EO 14030](#) on “Climate-Related Financial Risk,” See also [FHWA Order 5520](#) “Transportation System Preparedness and Resilience to Extreme Weather Events,” FTA’s “[Hazard Mitigation Cost Effectiveness Tool](#),” FTA’s “[Emergency Relief Manual](#),” and “[TCRP Document 70: Improving the Resilience of Transit Systems Threatened by Natural Disasters](#)”)

Equity and Justice⁴⁰ in Transportation Planning

FHWA Division and FTA regional offices should work with State DOTs, MPOs, and providers of public transportation to advance racial equity and support for underserved and disadvantaged communities. This will help ensure public involvement in the planning process and that plans and strategies reflect various perspectives, concerns, and priorities from impacted areas. We encourage the use of strategies that: (1) improve infrastructure for non-motorized travel, public transportation access, and increased public transportation service in underserved communities; (2) plan for the safety of all road users, particularly those on arterials, through infrastructure improvements and advanced speed management; (3) reduce single-occupancy vehicle travel and associated air pollution in communities near high-volume corridors; (4) offer reduced public transportation fares as appropriate; (5) target demand-response service towards communities with higher concentrations of older adults and those with poor access to essential services; and (6) consider equitable and sustainable practices while developing transit-oriented development including affordable housing strategies and consideration of environmental justice populations.

[Executive Order 13985](#) (*Advancing Racial Equity and Support for Underserved Communities*) defines the term “equity” as the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian

Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. The term “underserved communities” refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of “equity.” In addition, [Executive Order 14008](#) and [M-21-28](#) provides a whole-of-government approach to advancing environmental justice by stating that 40 percent of Federal investments flow to disadvantaged communities. FHWA Division and FTA regional offices should work with State DOTs, MPOs, and providers of public transportation to review current and new metropolitan transportation plans to advance Federal investments to disadvantaged communities.

To accomplish both initiatives, our joint planning processes should support State and MPO goals for economic opportunity in disadvantaged communities that have been historically marginalized and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, recreation, and health care.

Complete Streets

FHWA Division and FTA regional offices should work with State DOTs, MPOs and providers of public transportation to review current policies, rules, and procedures to determine their impact on safety for all road users. This effort should work to include provisions for safety in future transportation infrastructure, particularly those outside automobiles.

A complete street is safe, and feels safe, for everyone using the street. FHWA and FTA seek to help Federal aid recipients plan, develop, and operate streets and networks that prioritize safety, comfort, and access to destinations for people who use the street network, including pedestrians, bicyclists, transit riders, micro-mobility users, freight delivery services, and motorists. The goal is to provide an equitable and safe transportation network for travelers of all ages and abilities, including those from marginalized communities facing historic disinvestment. This vision is not achieved through a one-size-fits-all solution – each complete street is unique and developed to best serve its community context and its primary role in the network.

Per the National Highway Traffic Safety Administration’s 2019 data, 62 percent of the motor vehicle crashes that resulted in pedestrian fatalities took place on arterials. Arterials tend to be designed for vehicle movement rather than mobility for non-motorized users and often lack convenient and safe crossing opportunities. They can function as barriers to a safe travel network for road users outside of vehicles.

To be considered complete, these roads should include safe pedestrian facilities, safe transit stops (if present), and safe crossing opportunities on an interval necessary for accessing destinations. A safe and complete network for bicycles can also be achieved through a safe and comfortable bicycle facility located on the roadway, adjacent to the road, or on a nearby parallel corridor. Jurisdictions will be encouraged to prioritize safety improvements and speed management on arterials that are essential to creating complete travel networks for those without access to single-occupancy vehicles.

Public Involvement

Early, effective, and continuous public involvement brings diverse viewpoints into the decisionmaking process. FHWA Division and FTA regional offices should encourage MPOs, State DOTs, and providers of public transportation to increase meaningful public involvement in transportation planning by integrating Virtual Public Involvement (VPI) tools into the overall public involvement approach while ensuring continued public participation by individuals without access to computers and mobile devices. The use of VPI broadens the reach of information to the public and makes participation more convenient and affordable to greater numbers of people. Virtual tools provide increased transparency and access to transportation planning activities and decisionmaking processes. Many virtual tools also provide information in visual and interactive formats that enhance public and stakeholder understanding of proposed plans, programs, and projects. Increasing participation earlier in the process can reduce project delays and lower staff time and costs. More information on VPI is available [here](#).

Strategic Highway Network (STRAHNET)/U.S. Department of Defense (DOD) Coordination

FHWA Division and FTA regional offices should encourage MPOs and State DOTs to coordinate with representatives from DOD in the transportation planning and project programming process on infrastructure and connectivity needs for STRAHNET routes and other public roads that connect to DOD facilities. According to the Declaration of Policy in 23 U.S.C. 101(b)(1), it is in the national interest to accelerate construction of the Federal-aid highway system, including the Dwight D. Eisenhower National System of Interstate and Defense Highways, because many of the highways (or portions of the highways) are inadequate to meet the needs of national and civil defense. The DOD's facilities include military bases, ports, and depots. The road networks that provide access and connections to these facilities are essential to national security. The [64,200-mile STRAHNET system](#) consists of public highways that provide access, continuity, and emergency transportation of personnel and equipment in times of peace and war. It includes the entire 48,482 miles of the Dwight D. Eisenhower National System of Interstate and Defense Highways and 14,000 miles of other non-Interstate public highways on the National Highway System. The STRAHNET also contains approximately 1,800 miles of connector routes linking more than 200 military installations and ports to the primary highway system. The DOD's facilities are also often major employers in a region, generating substantial volumes of commuter and freight traffic on the transportation network and around entry points to the military facilities. Stakeholders are encouraged to review the STRAHNET maps and recent Power Project Platform (PPP) [studies](#). These can be a useful resource in the State and MPO areas covered by these route analyses.

Federal Land Management Agency (FLMA) Coordination

FHWA Division and FTA regional offices should encourage MPOs and State DOTs to coordinate with FLMAs in the transportation planning and project programming process on infrastructure and connectivity needs related to access routes and other public roads and transportation services that connect to Federal lands. Through joint coordination, the State DOTs, MPOs, Tribal Governments, FLMAs, and local agencies should focus on integration of their transportation planning activities and develop cross-cutting State and MPO long range transportation plans, programs, and corridor studies, as well as the Office of Federal Lands

Highway's developed transportation plans and programs. Agencies should explore opportunities to leverage transportation funding to support access and transportation needs of FLMAs before transportation projects are programmed in the Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP). Each State must consider the concerns of FLMAs that have jurisdiction over land within the boundaries of the State (23 CFR 450.208(a)(3)). MPOs must appropriately involve FLMAs in the development of the metropolitan transportation plan and the TIP (23 CFR 450.316(d)). Additionally, the Tribal Transportation Program, Federal Lands Transportation Program, and the Federal Lands Access Program TIPs must be included in the STIP, directly or by reference, after FHWA approval in accordance with 23 U.S.C. 201(c) (23 CFR 450.218(e)).

Planning and Environment Linkages (PEL)

FHWA Division and FTA regional offices should encourage State DOTs, MPOs and Public Transportation Agencies to implement PEL as part of the transportation planning and environmental review processes. The use of PEL is a collaborative and integrated approach to transportation decisionmaking that considers environmental, community, and economic goals early in the transportation planning process, and uses the information, analysis, and products developed during planning to inform the environmental review process. PEL leads to interagency relationship building among planning, resource, and regulatory agencies in the early stages of planning to inform and improve project delivery timeframes, including minimizing duplication and creating one cohesive flow of information. This results in transportation programs and projects that serve the community's transportation needs more effectively while avoiding and minimizing the impacts on human and natural resources. More information on PEL is available [here](#).

Data in Transportation Planning

To address the emerging topic areas of data sharing, needs, and analytics, FHWA Division and FTA regional offices should encourage State DOTs, MPOs, and providers of public transportation to incorporate data sharing and consideration into the transportation planning process, because data assets have value across multiple programs. Data sharing principles and data management can be used for a variety of issues, such as freight, bike and pedestrian planning, equity analyses, managing curb space, performance management, travel time reliability, connected and autonomous vehicles, mobility services, and safety. Developing and advancing data sharing principles allows for efficient use of resources and improved policy and decisionmaking at the State, MPO, regional, and local levels for all parties.