



RESOLUTION 24-10

A RESOLUTION OF THE NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION ENDORSING THE USE OF GROUP 1 CHICAGO IL-IN URBAN AREA FUNDING AND GROUP 2 VALPARAISO-SHOREWOOD FOREST URBAN AREA FUNDING FOR PROJECTS IN EITHER URBAN AREA

WHEREAS, the Northwestern Indiana Regional Planning Commission, hereafter referred to as “The Commission,” being designated the Council of Governments, representing all local governments in the region, has established a comprehensive planning process including the three domains of environmental, economic development, and transportation planning; and

WHEREAS, the Commission, being designated an Metropolitan Planning Organization (MPO) for the Lake, Porter, and La Porte County region, has established a regional continuing, comprehensive, and cooperative planning program to develop the unified planning work program, long-range transportation plan, and transportation improvement program; to annually endorse the plans and programs; to facilitate federal transportation funding for the Indiana Department of Transportation, communities, and transit operators; and to provide technical assistance and expertise to regional transportation stakeholders; and

WHEREAS, the US Department of Commerce, Bureau of the Census (Census Bureau) designates urban areas based on population and housing data collected in the most recent decennial census; and

WHEREAS, the Federal Highway Administration allocates highway funding to MPOs based on the population of the urban areas within their metropolitan planning areas; and

WHEREAS, for the 2020 decennial census, the Census Bureau revised the criteria it used to delineate urban areas, which resulted in a portion of the Chicago, IL-IN urban area being carved out and designated separately as the Valparaiso-Shorewood Forest urban area; and

WHEREAS, both the Chicago IL-IN urban Area and the Valparaiso-Shorewood Forest urban area, are within the metropolitan planning area of the Commission; and

WHEREAS, the Commission, in accordance with CFR 450.326, develops a Transportation Improvement Program that includes capital and non-capital surface transportation projects (or phases of projects) within the boundaries of the metropolitan planning area proposed for funding; and

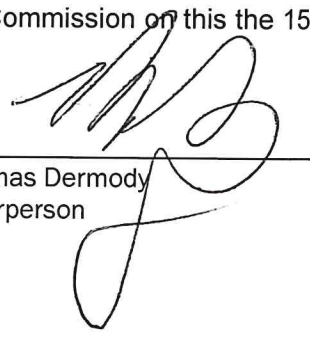
WHEREAS, the Commission may award funding to eligible projects throughout its metropolitan planning area irrespective of the urban area with which it is associated; and

WHEREAS, the Commission, through its Transportation Resources and Oversight Committee and its Technical Planning Committee has determined that allowing funding from the Chicago IL-IN urban area and the Valparaiso urban area to be programmed interchangeably for projects in either of the urban areas is desirable because it ensures continued funding for existing projects in the current TIP, is reasonable because the urban areas are geographically contiguous, is practical because the two urban areas could be recombined after the 2030 decennial census, and is fiscally responsible because it gives

staff and committees flexibility to move funds between projects and ensure that all available funds are spent in the region and not returned to the State.

NOW, THEREFORE, BE IT RESOLVED that the Commission hereby endorses the use of Group 1 Chicago IL-IN urban area funding and Group 2 Valparaiso-Shorewood Forest urban area funding for projects in either urban area.

Duly adopted by the Northwestern Indiana Regional Planning Commission on this the 15th day of August 2024.



Thomas Dermody
Chairperson

ATTEST:



Justin Kiel
Secretary



MEMORANDUM

To: Technical Planning Committee

From: Tom Vander Woude, Director of Transportation

Date: July 19, 2024

Re: Valparaiso-Shorewood Urban Area transportation funding

Action Requested: Recommendation to the Commission to approve Resolution 24-10

After the 2020 census, a portion of the Chicago urban area around the City of Valparaiso and extending west to the unincorporated Shorewood Forest community was carved off the Chicago IL-IN urban area (Chicago UZA) and designated as a separate urban area, called the Valparaiso-Shorewood Forest urban area (Valpo UZA). Beginning in State Fiscal Year 2024, NIRPC's highway funding was also divided between the two urban areas so that NIRPC now receives a separate allocation of Group 2 funds that are specifically associated with the Valpo UZA.

At its May 21, 2024, meeting, the NIRPC Transportation Resources and Oversight Committee (TROC) voted to recommend to the NIRPC Board of Commissioners that NIRPC allow the highway funding from the Chicago UZA and the Valpo UZA to be programmed interchangeably for projects in either of the UZAs. In practical terms, this means that the funding streams will be combined for the NIRPC project selection process but will be identified separately in the Transportation Improvement Program (TIP).

The TROC requests a recommendation to the Commission to approve the attached resolution to memorialize this programming approach.

Discussion

The US Department of Commerce, Bureau of the Census (Census Bureau) designates urban areas based on population and housing data collected in the most recent decennial census. In 1990, Northwest Indiana contained a single urban area, the Indiana portion of the Chicago, IL-IN urbanized area (at the time called the Chicago, IL-Northwestern Indiana urbanized area). In 2000, the Census Bureau designated an additional urban area in the NIRPC region, in La Porte County, which is now called the Michigan City-La Porte, IN-MI urban area. For the 2020 decennial census, the Census Bureau revised the criteria it used to delineate urban areas, which resulted in a portion of the Chicago, IL-IN urban area being carved out and designated separately as the Valparaiso-Shorewood Forest urban area.

These urban area designations are used by the Federal Highway Administration to determine where Metropolitan Planning Organizations (MPOs) are required, and the populations of the urban areas are used to determine the amount of federal transportation funding each MPO and region receive.

Although federal funding is based on urban area populations, MPOs do not exclusively use urban area population or geography as the basis for transportation project selection:

- Federal law states that MPOs may not distribute funding to Local Public Agencies based on their population, but must instead conduct a performance-based, continuing, cooperative, and comprehensive metropolitan planning process to determine how to invest the funding. To comply with this regulation, NIRPC has developed a committee-driven process that selects projects for NIRPC's TIP guided by criteria aligned with the goals of the region's Metropolitan Transportation Plan.
- With respect to geography, MPOs, together with the State, determine the area boundary for their planning and programming activities, which is called their Metropolitan Planning Area (MPA). In accordance with CFR 450.312, the MPA must encompass, at a minimum, the existing urbanized area as defined by the most recent Census and the contiguous area(s) likely to become urbanized within the next 20 years. An MPO has the authority to program transportation funding for projects on the federal aid network and other eligible facilities anywhere within that MPA. NIRPC's MPA is the entirety of Lake, Porter, and La Porte counties, allowing NIRPC to fund projects throughout the three-county region.

For the past 20 years, the NIRPC region has included two urban areas: the Chicago IL-IN urban area and the Michigan City-La Porte IN-MI urban area. Although NIRPC has been free to use funding associated with these two urban areas anywhere within its MPA, during this time, NIRPC's practice has been to maintain parallel transportation funding programming processes: one for the Chicago UZA and one for the Michigan City-LaPorte UZA. The Chicago UZA, because its population is greater than 200,000, is allocated Group 1 funds, which are awarded to projects within that UZA, while the Michigan City-La Porte UZA, because its population is between 50,000 and 200,000, is allocated Group 2 funds, which are awarded to projects within that UZA (the terms Group 1 and Group 2 refer to INDOT Federal Aid Programs).

Staff and the Transportation Resource Oversight Committee discussed a few key reasons for a different programming approach for the Valpo UZA.

1. Existing Projects in the TIP

In Fiscal Year 2024, the Valpo UZA received about \$2.3 million in federal funds. Even with anticipated increases due to inflation, future annual allocations would still be insufficient to cover the funding commitments for the Valpo UZA projects programmed in the current TIP, which total approximately \$17.5 million.

2. Geographic Proximity and Overlap

The Chicago UZA and the Valpo UZA, unlike the Michigan City-La Porte UZA, are geographically contiguous. Not only does this mean that projects in one UZA are likely to benefit the populations in the other, but it is also possible that a project could span both. Further, Porter County is now split between the two UZAs, which is not the case with the Michigan City-La Porte UZA, which is the only UZA in La Porte County.

3. Possibility of the Two UZAs Combining after the 2030 Census

Given the proximity of the Chicago UZA and the Valpo UZA and the population growth in Porter County, it is a distinct possibility that the two could be merged back into a single UZA after the 2030 decennial census. Since NIRPC's TIP is a 5-year program, the next TIP will extend to 2030.

4. Administrative Flexibility

NIRPC's federal funds expire each year at the end of the state fiscal year. If funds can be programmed interchangeably for projects in either of the UZAs, NIRPC staff and committees will have greater flexibility to move funds between projects and ensure that all available funds are spent in the region and not returned to the State.

Recommendation

Vote to forward a recommendation to the Commission to approve the attached resolution to memorialize this programming approach.

Attachment

Adjusted Boundaries of the 2020 Urban Areas map