

San Francisco Peninsula Rail Program Executive Steering Committee

Item 5 – Overview of the Federal Transit Administration
New Starts Process

November 20, 2020



FTA Capital Investment Grant (CIG) Program





FTA Capital Investment Grant (CIG) Program

- Fixing America's Surface Transportation (FAST) Act establishes the CIG program
- The FAST Act authorized \$2.3 billion annually in program funding between FY 2017 and 2020
 - 2020 appropriations = \$1.96 billion
 - Largest discretionary federal transportation program
- The CIG program funds three types of projects:
 - Small Starts
 - New Starts
 - Core Capacity



Eligible Projects

	New Start
Corridor	A substantial investment in a defined corridor
Project Features	<p>Features that emulate the services provided by rail fixed guideway public transportation systems:</p> <ul style="list-style-type: none"> • defined stations • traffic signal priority for public transportation vehicles • short headway bidirectional services for a substantial part of weekdays and weekend days • If BRT minimum of 50% dedicated guideway
Capital Cost	More than \$300 million
CIG Funds	Requesting more than \$100 million in CIG funding
Funds	Up to 50% of capital cost
Ex. projects	<p>Third Street LRT Phase 2 - Central Subway Westside Purple Line – Section 3 (Los Angeles)</p>



Active New Starts Grant Agreements

Location	Project	Project Cost (Millions \$)	New Start Grant Amount (Millions \$)	New Starts %
CA Los Angeles	Westside Subway Extension - Section 1	\$2,822.0	\$1,250.0	44%
CA Los Angeles	Westside Subway Extension - Section 2	\$2,499.2	\$1,187.0	47%
CA San Diego	Mid-Coast Corridor Transit Project	\$2,171.2	\$1,043.4	48%
TX Fort Worth	TEX Rail	\$1,034.4	\$499.4	48%
MA Boston	Green Line Extension	\$2,297.6	\$996.1	43%
MD Maryland	National Capital Purple Line	\$2,407.0	\$900.0	37%
WA Seattle	Lynnwood Link Extension	\$3,260.4	\$1,172.7	36%
WA Seattle	Federal Way Link Extension	\$3,160.7	\$790.0	25%
CA Los Angeles	Westside Purple Line Extension	\$3,599.3	\$1,300.0	36%
MN Minneapolis	Southwest Light Rail Transit	\$2,003.2	\$928.8	46%
Total		\$25,254.9	\$10,067.5	40%

Numbers may not sum due to rounding.



Current New Starts Pipeline

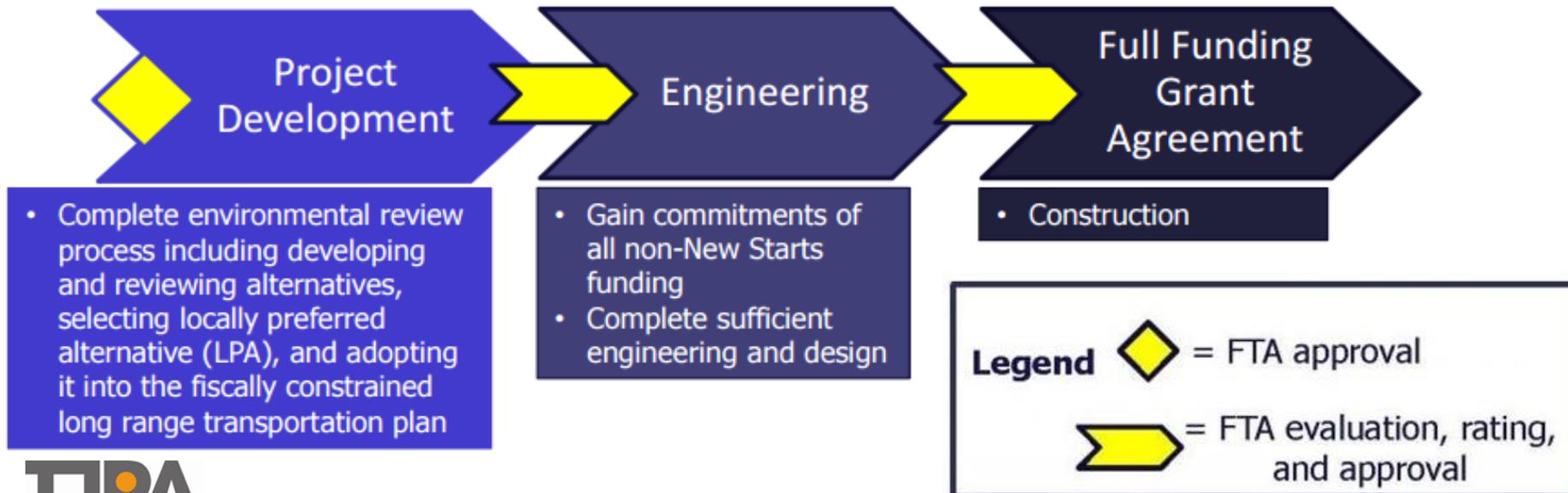
Location	Project	Project Cost (Millions \$)	New Start Grant Request Amount (Millions \$)	New Starts %
Engineering				
AZ Phoenix	South Central Light Rail Extension	\$1,345.2	\$529.9	39%
IN Gary to Michigan City	NICTD Double Track - Northwest Indiana	\$456.0	\$173.0	38%
IN Lake County	West Lake Corridor	\$933.1	\$354.6	38%
MN Minneapolis	METRO Blue Line Extension (Bottineau LRT)	\$1,536.2	\$752.7	49%
Project Development				
AZ Phoenix	Northwest Extension Phase II	\$401.3	\$158.1	39%
MN St. Paul	METRO Gold Line Bus Rapid Transit	\$460.9	\$207.4	45%
NJ-NY Secaucus	Hudson Tunnel	\$12,127.2	\$5,338.7	44%
NV Las Vegas,	Maryland Parkway High Capacity Transit Project	\$345.0	\$170.8	50%
NY New York City	Second Avenue Subway Phase 2	\$6,390	\$2,000	31%
OR Portland,	Southwest Corridor LRT	2,600 - \$2,800	\$1,395	TBD
SC Charleston	Lowcountry Rapid Transit	\$388	TBD	TBD
Total		\$24,383	\$11,080	

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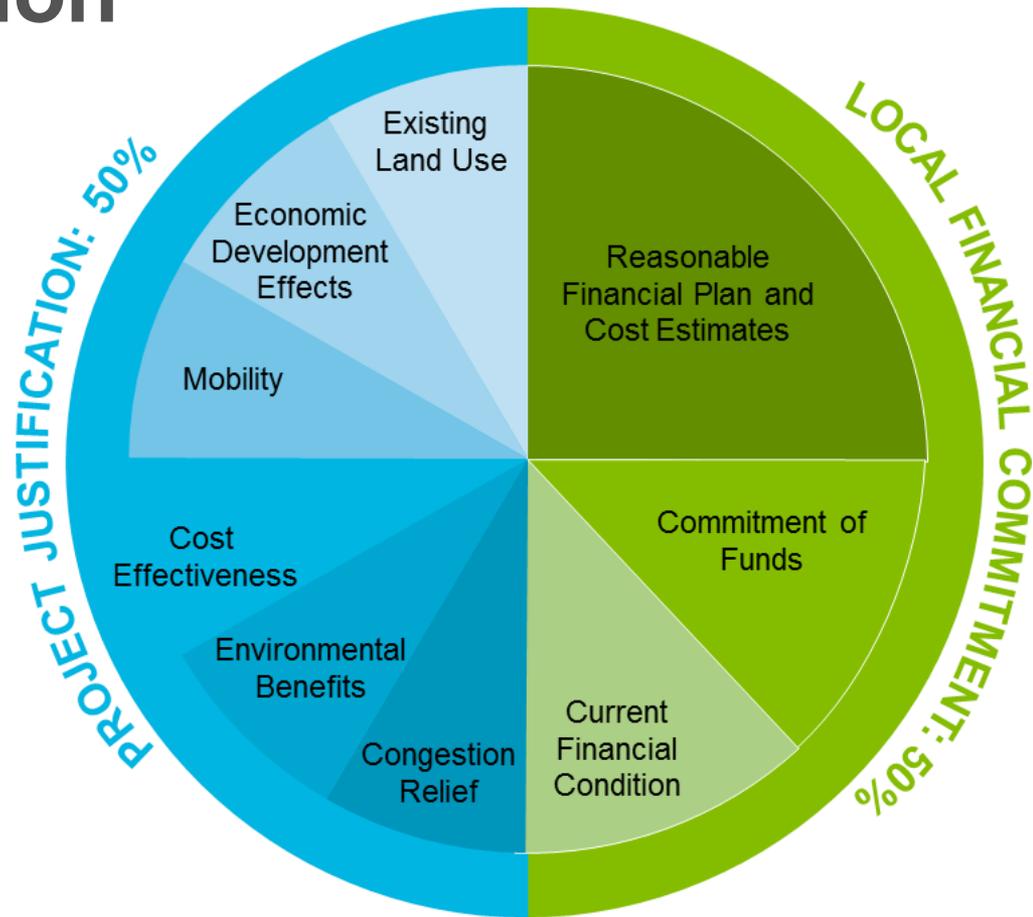
New Starts Process

New Starts and Core Capacity Process



New Starts Evaluation

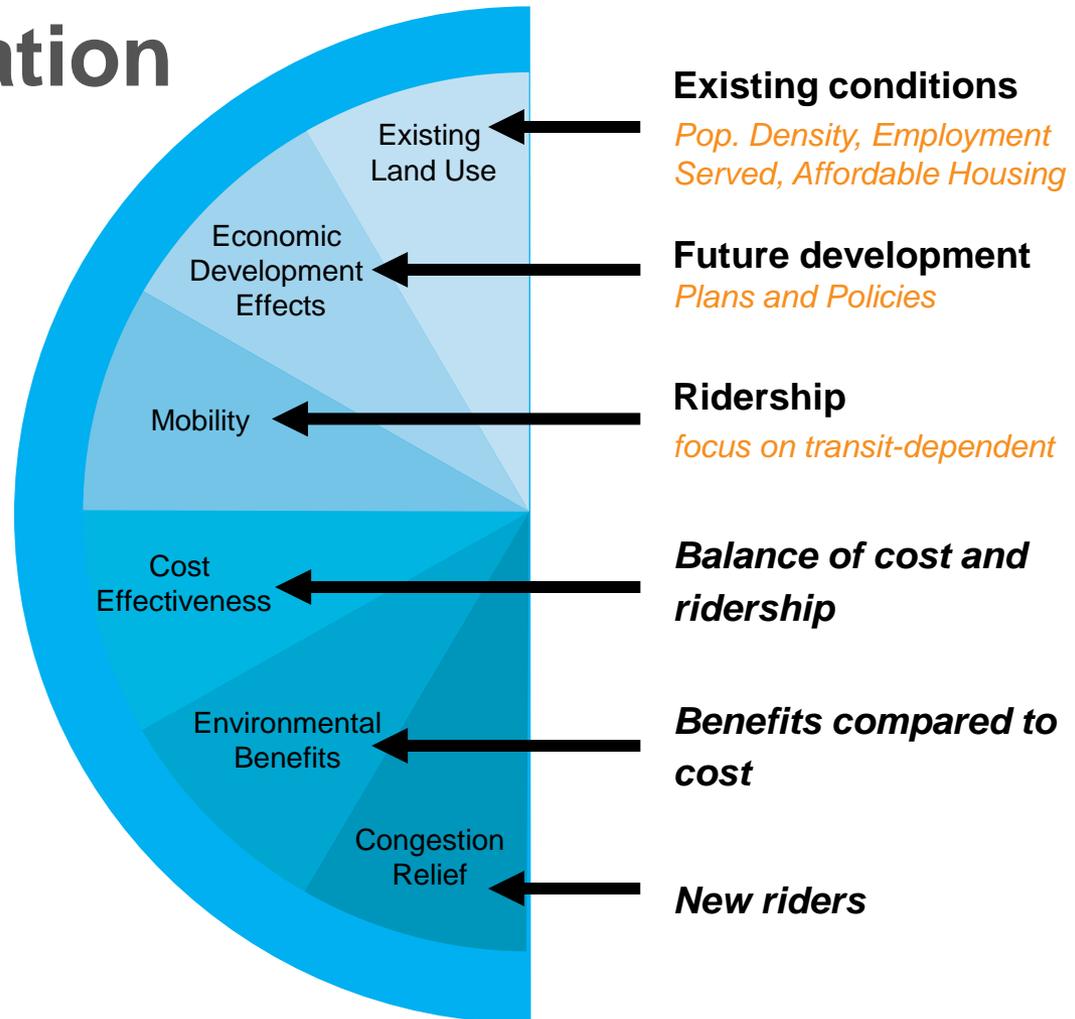
Projects must receive a **Medium rating** for both Project Justification and Local Financial Commitment



New Starts Evaluation

Project Justification

- Projects are rated Low to High on a 5-point scale
- Projects need to receive 15 points receive a Medium rating for Project Justification



New Starts Evaluation

Local Financial Commitment

- 20-year Systemwide Capital and Operating Plan
 - 20-year cash flow
 - Federal, state, local, and debt assumptions
 - Debt coverage requirements
 - Detailed capital and operating cost assumptions
- Financial sensitivity analysis
- Documentation of funding commitments
- Project sponsor financial history
- Major project sponsor historical revenue and expenses 10 years

Conservative planning assumption and cost estimates.
Access to additional debt capacity, cash reserves to cover additional cost or funding shortfalls

Committed or budgeted capital Non-5309 funding.
Committed and budgeted operating funds.

Bus fleet age
Bonding rating
Historical positive cash flow
No recent service cuts





Entry to Project Development

Short 5 - 10-page letter (or less)

- Key agencies, staff and their respective roles
 - Description and map of corridor
 - Transportation problem and purpose and need
 - Existing transit service levels in corridor
 - Description of proposed project, anticipated capital cost
 - Anticipated cost of Project Development
- Commitment and availability of non-CIG funds for Project Development in current fiscal year
 - Documentation of funding commitments and availability for Project Development
 - Project schedule for
 - Compliance with NEPA/environmental laws
 - Selection of Locally Preferred Alternative (LPA)
 - Adoption of LPA in Fiscally Constrained Long Range Plan
 - Develop materials to evaluate and rate project
 - Completion of the readiness requirements for entry into Engineering
 - Anticipated receipt of grant agreement from FTA
 - Anticipated start of revenue service



When to apply to enter Project Development?

Benefits of applying to enter Project Development early

- All local funds spent to develop project count toward local match, when project receives grant agreement
- Increased recognition of project, tracked by FTA, annual progress reported to Congress

Reasons to delay applying to enter Project Development

- Availability and commitment money to fund all Project Development activities
- 2-year time limit to complete Project Development
 - Confident Project Development can be completed in less than 2-years
 - Including at-least 6 months of FTA/PMOC review for readiness to enter Engineering

Entry for Engineering

- The project sponsor must select a locally preferred alternative (LPA);
- The project sponsor must get the LPA adopted into the fiscally constrained metropolitan transportation plan;
- The environmental review process required under NEPA must be completed as signified by a final FTA environmental decision (e.g., categorical exclusion, finding of no significant impact, combined final environmental impact statement/record of decision, or record of decision) covering all aspects of the project proposed for FTA funding; and
- The project sponsor must develop sufficient information for FTA to develop a project rating.
 - Project Description Template
 - Project Narrative
 - Project Maps
 - Travel Forecast Results Report
 - Travel Forecast Template
 - Operating Costs
 - Capital Costs
 - Standard Cost Categories (SCC) Workbook
 - Mobility Improvements, Cost Effectiveness, and Congestion Relief Template
 - Land Use Template
 - Supplemental Land Use and Economic Development Template
 - Environmental Benefits Template
 - Financial Template
 - Completed Local Financial Commitment Checklist
- Obtain commitment of at least 30 percent of the non-CIG funding
- Complete at least 30 percent design and engineering.
- Documentation of project definition and scope;
- Project Management Plan (PMP) and sub-plans -- should include processes and procedures to continuously manage the project during Engineering and a staffing plan that identifies key personnel and demonstrates the sponsor's management capacity and capability;
- Cost Estimate – addresses key items within the project's work breakdown structure at an appropriate level. Includes both the basis for the estimate and required contingency based on the level of design and in accordance with FTA and industry best practices;
- Cost estimate provided using the Standard Cost Category worksheets;
- Schedule – addresses key activities, milestones and elements within the project's work breakdown structure and incorporates proposed delivery methodology;
- Integrated project schedule;

During Project Development (2-year time limit included in FAST Act)

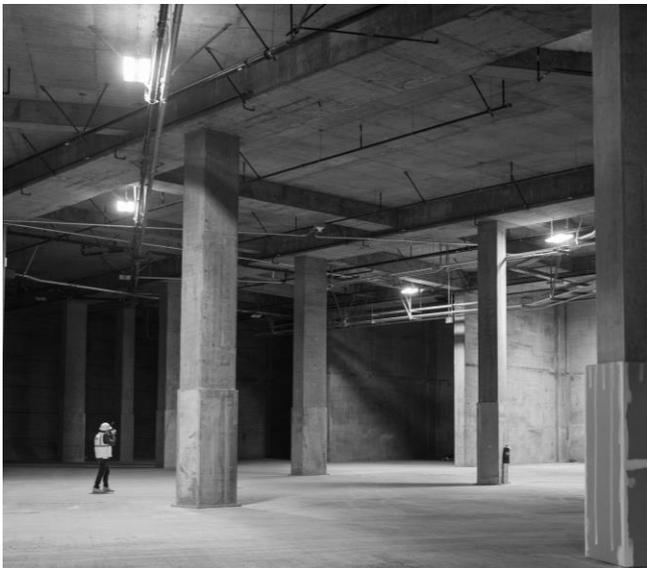
- Obtain commitment of at least 30 percent of the non-CIG funding
- Complete at least 30 percent design and engineering.
- Cost Estimate
- 20-year financial plan
- Project Management Plan (PMP) and sub-plans
- Environmental review process required under NEPA & CEQA
- Sufficient information for FTA to develop a project rating
- Notify FTA of intent to enter Engineering
- FTA/Program Management Oversight Consultant (PMOC) reviews
 - Scope, Schedule, & Budget Review
 - Risk Review
 - Readiness Review

**Maximum New Starts Grant
amount as a \$ amount set**



Engineering

- During Engineering
 - Complete Design/complete bidding documents
 - 100% non-New Starts funding commitments
- FTA requires 3-years in Engineering
 - 50% non-New Starts funding committed
 - Sufficient progress advancing level of Design



Full Funding Grant Agreement

- Obtaining Grant
 - Sufficient information for FTA to develop a project rating
 - 100% funding commitment
 - PMOC review
- Construction



Time of Funding commitments

- Entry Project Development
 - Funding for Project Development in current year budget
- Entry to Engineering
 - 30% non-New Starts funding committed
- 3-years into Engineering
 - 50% non-New Starts funding committed
- Full Funding Grant Agreement
 - 100% non-New Starts funding committed

Questions?

