

Exploring Light Rail in Cobb County

Marietta, Georgia
May 4, 2010

Personal Background

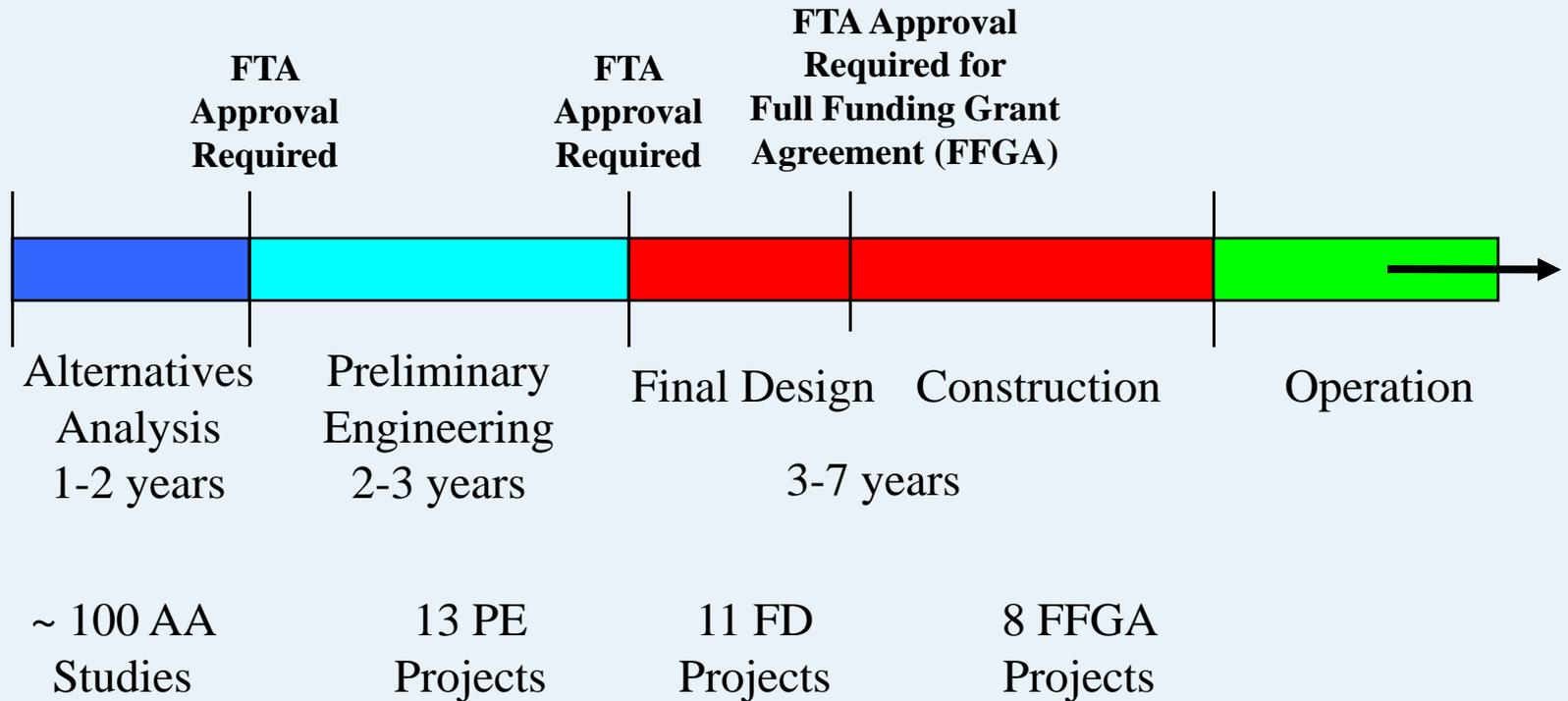
- Ten years on Capitol Hill – five on Senate Appropriations Committee
 - Ensured funding and federal approval for first LRT system in Portland
- Chair New Starts Working Group since 1995
 - Advocacy group shaping federal policy on Capitol Hill and within Administration
- Executive Director of Community Streetcar Coalition since 2004
- Represent local areas seeking to advance New Starts projects at a policy and technical level in cities such as Portland, Charlotte, Sacramento, Norfolk, Detroit, Lansing and Los Angeles

Today's Presentation

- Provide an overview of the federal New Starts program and future direction of the program
- Discuss federal funding programs for each phase of project development
- Lessons Learned in advancing projects through the New Starts program

New Starts Project Development Process

- Project Development: Typically 6-12 Years



Funding

- Project must be authorized in surface transportation authorization bill
- Feasibility Studies and Alternatives Analysis (AA)
 - Annual planning funds from Federal Highway Administration (FHWA) and Federal Transit Administration (FTA)
 - Congestion Mitigation and Air Quality (CMAQ) program
 - Section 5339 FTA AA Program - \$25 million annually
- Preliminary Engineering (PE), Final Design (FD) and construction
 - Section 5309 New Starts/Small Starts program
 - Flexible federal highway funds – Surface Transportation Program
 - FY 2010 - \$2 billion, FY 2011 – proposed at \$1.82 billion
 - 90+ percent of earmarked for projects in FD or under construction

Eligible Projects

- New Starts

- Projects more than \$250 M in project cost and seeking more than \$75 million in Federal New Starts funds
 - 80/20 match but most localities overmatch
- Heavy rail (MARTA), light rail, commuter rail, bus rapid transit (BRT) with dedicated lanes or streetcars

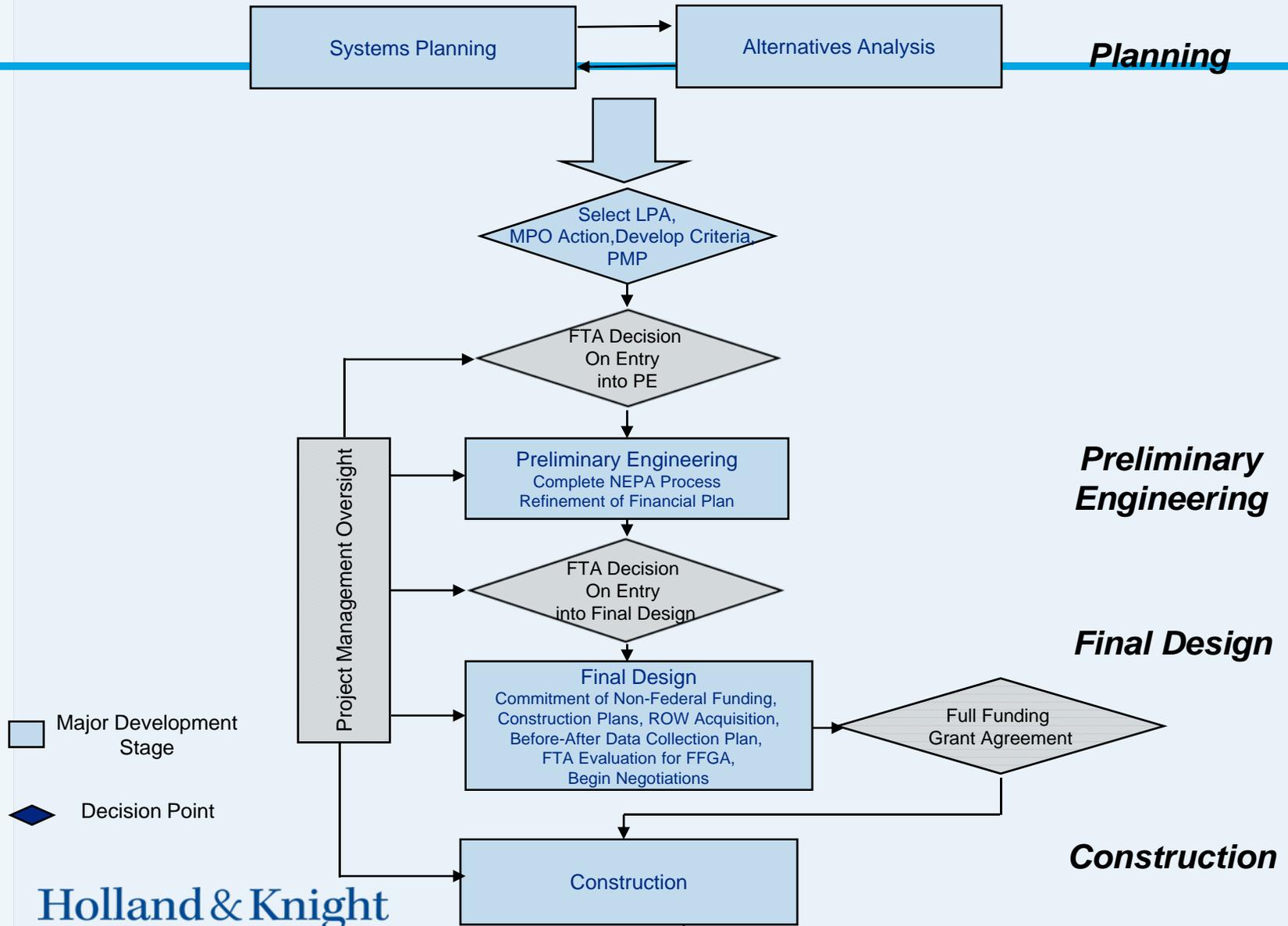
- Small Starts

- Less than \$250 M in total cost and seeking less than \$75 M in small start monies – 80/20 match
- Streetcars, BRT or commuter rail

- Exempt

- Projects seeking less than \$25 million eligible and not subject to project evaluation and rating process

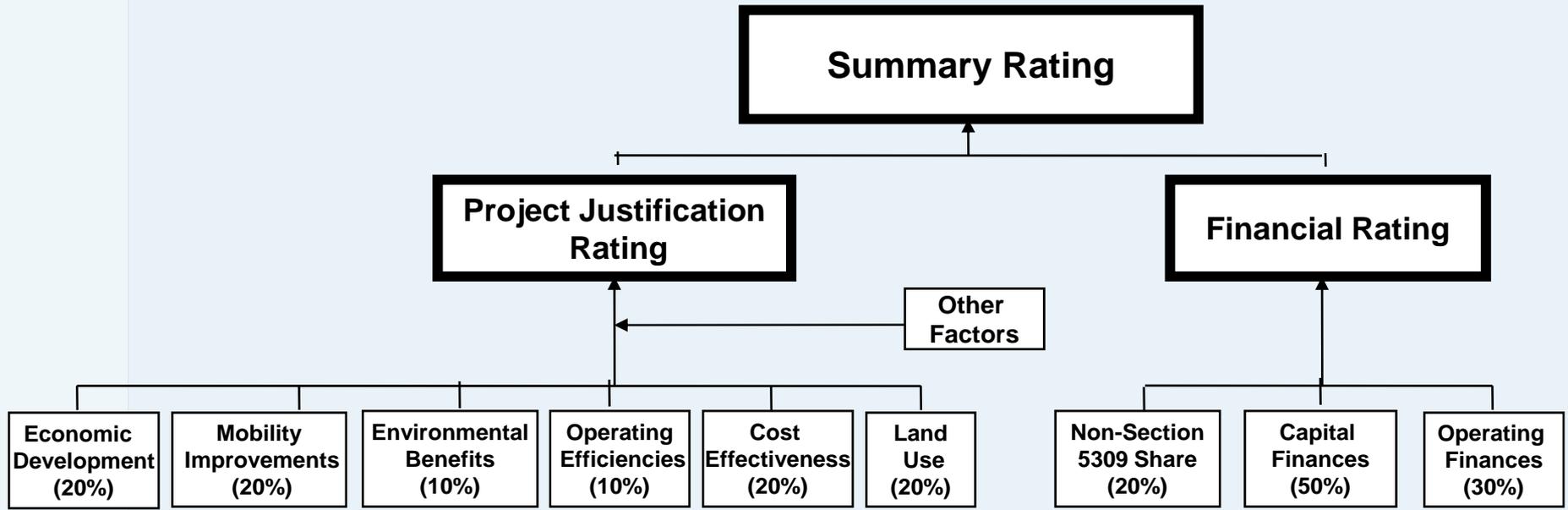
New Starts Planning and Project Development Process



FTA and New Starts Process

- FTA approval is required at each decision point
 - AA to Preliminary Engineering (PE)
 - PE to Final Design (FD)
 - FD to FFGA
- Must satisfy New Starts criteria at each phase of project development to be eligible to advance
 - Any project must be evaluated to determine if it will satisfy FTA review criteria and be eligible to advance
 - Any project that seeks to move forward to PE must be competitive in New Starts process

Statutory New Starts Project Evaluation and Rating Framework



Cost Effectiveness

- What is the Measure?
 - Attach a dollar value to mobility benefits and compared “build” alternative to “baseline” alternative
 - Mobility benefits measure travel but favor peak hour, longer distance trips operating in dedicated right of way – subways, some LRT projects and commuter rail
- Baseline Alternative – Build Alternative compared to expanded bus alternative
 - FTA has bolstered “baseline” alternative over time and assumptions must be similar to those of the Build Alternative
 - More travel time benefits to auto trips to park and ride lots than bus trips or walking trips to the proposed fixed guideway project
- Cost-Benefit Analysis
 - DOT Webinar on May 17th
 - Advance Notice of Proposed Rulemaking to implement SAFETEA-LU will invite comments on use of CBA for New Starts Projects

Economic Development and Land Use

- Land use focuses on:
 - Corridor and station area population
 - Existing land use
 - Trip generators in the project corridor, e.g. universities, arenas, hospitals, shopping centers, and performing arts centers
 - Existing parking within one-half mile of station
- Economic Development concentrates on:
 - Transit supportive plans and policies, such as zoning near transit stations, station area plans, inventory of available property, and growth management policies
 - Policies to promote mixed use, sidewalks and complete streets
 - Interlocal agreements, resolutions or other endorsements of policies

Environmental Benefits

- Currently based on current air quality designation
- FTA is exploring other ways to infuse more significance to this factor
- To date, it has little impact on the FTA decision-making process

Operating Efficiencies/Mobility Benefits

- Mobility Improvements relies on data from travel demand model
 - User benefits – per passenger mile, per passenger and share of trips by transit dependent
 - Number of trips by transit dependent
- Operating Efficiencies
 - System-wide operating and maintenance costs
 - Compare that information between the Build and Baseline alternatives
 - Relies on data generated for calculating cost effectiveness

Financial Plan

- Entry into Preliminary Engineering
 - Reasonable financial plan that identifies funding sources adequate to build project and operate and maintain project and existing transit system
 - FTA assigns a Financial Management Oversight Consultant (FMOC) that reviews the viability of the revenue sources and the assumptions regarding growth and availability
- Actions necessary to ensure capital and operating funds are committed to the project occur during PE

Near Term FTA Actions

- April/May 2010 – New Starts/Small Starts Guidance
 - Project Sponsors seeking to be rated and included in FY 2012 New Starts Report must submit information
 - Expect modest changes to expedite project decisions
- Advance Notice of Proposed Rulemaking (ANPRM) to implement SAFETEA-LU
 - More substantial revisions to project approval process
 - Propose changes to some of the current criteria

Future Direction of New Starts Program

- Reward areas with dedicated funding source that are able to advance multiple projects at one time
 - Engaged with FTA and Congress on the creation of a Program of Interrelated Projects
 - Allow locally funded projects to serve as local match for FTA funded projects
 - Allow regions that advance multiple projects to claim ridership and project benefits from the built-out of the regional system – enables each project to be more competitive
- Simplify project approval process to expedite FTA decisions

Lessons Learned

- **Prioritize Projects**
 - Current and projected growth corridors – where does region want to grow and how does it want to serve that growth?
 - Build upon Concept 3 process and prior New Starts work
 - Recognize that none of the regional projects – BeltLine, Clifton Corridor, I-20 East, the Northwest Corridor or Peachtree Streetcar – have undergone sufficient analysis to determine if they are candidates for New Starts/Small Starts funding
- Travel demand forecast acceptable to FTA that captures transit ridership is crucial to develop ridership estimates, user benefits and cost effectiveness

Lessons Learned

- Commitment to Reshaping Regional Growth Strategy
 - Move beyond ARC policies on land use
 - Jurisdictions must adopt ordinances that direct growth to project corridors and establish station area plans
 - Actions must be “real” and reflected in binding ordinances
 - Focus is the one-half mile area around station areas
 - Station area plans adopted by the jurisdictions that promote a pedestrian oriented environment

Lessons Learned

- **MONEY - \$\$\$**

- Service cutbacks for all regional transit systems weaken region's ability to obtain future New Starts monies
- FTA will expect region to develop and fund a plan to restore service prior to investing in a new capital project
- Dedicated funding source must be sufficient to build new project(s) and operate, maintain and ensure state of good repair for existing and expanded system
- Sufficiently robust dedicated funding source would allow construction of projects more quickly and advance projects that are important to region but may not be as competitive in New Starts program

Lessons Learned

- CONSENSUS

- Mobilize business community, local elected officials and citizens in support of transit
- FTA will respond favorably to Atlanta region if a unified vision and regional plan is advanced
- Congressional delegation will unite if they see the regional system and importance to support regional priorities if they hope to have a project built in their district

Holland & Knight

Jeffrey F. Boothe

**2099 Pennsylvania Avenue, NW
Suite 100**

Washington, DC 20006

PN: 202-828-1896/Fax: 202-955-5564

E-Mail: jeff.booth@hklaw.com