Mid-Coast Corridor Transit Project Update

- FTA New Starts Program
Mid-Coast Corridor Transit Project

- *TransNet* Early Action Project
- Included in original *TransNet* Ordinance passed in 1987
- Remains uncompleted
- Under *TransNet* Extension Ordinance receives priority for implementation
Mid-Coast Corridor Transit Project

- *TransNet* Ordinance specifies:
  - Project implementation relies on receipt of federal funds
- FTA New Starts Program provides funds for fixed-guideway transit projects
- SANDAG seeking New Starts funds to match *TransNet* capital funds
Section 5309 New Starts Program

- Funds new fixed-guideway transit projects and extensions
  - Light Rail Transit (LRT)
  - Bus Rapid Transit (BRT)
  - Commuter Rail Transit
- Discretionary funding program
- Competition for funding is high
Full Funding Grant Agreement

- FTA funding commitments made through Full Funding Grant Agreement (FFGA)
- FFGA establishes:
  - Scope of project
  - New Starts funding amount
  - Schedule for federal funding
- Funding amounts subject to annual appropriations by Congress
New Starts Evaluation Process

- **New Starts criteria:**
  - Established in SAFETEA-LU
  - Used by FTA to evaluate/rate projects

- **FTA evaluates projects on “level playing field”**
  - New Starts funding applications developed according to FTA regulations and technical guidance
  - FTA conducts technical review of data
New Starts Application Process

- Initial New Starts application submitted to FTA with PE application
- FTA must approve project entry into Preliminary Engineering (PE)
- After project entry into PE:
  - New Starts application updates must be submitted annually to FTA
FTA Annual Report

- FTA reviews and evaluates all New Starts application updates annually
- FTA prepares *Annual Report on Funding Recommendations* to Congress

Annual Report contains:
- Ratings for all projects in PE and final design
- FTA project funding recommendation to Congress
Evaluation Criteria and Rating System

- Two main categories of evaluation criteria:
  - Project Justification
  - Local Financial Commitment

- Overall Rating – average of scores for Project Justification and Local Financial Commitment

- Other Factors
  - Could increase score

- Case for the Project Report
  - Also rated, could increase score
Project Justification Criteria

- Mobility Improvements (20%)
- Environmental Benefits (10%)
- Operating Efficiencies (10%)
- Economic Development Effects (20%)
- Cost Effectiveness (20%)
- Public transit supportive land use policies and future patterns (20%)
Mobility Improvements

- Number of Transit Trips Using the Project
- User Benefits Per Passenger Mile on the Project
- Number of Trips by Transit Dependents Using the Project
- Transit Dependent User Benefits per Passenger Mile
- Share of User Benefits Received by Transit Dependents Compared to the Share of Transit Dependents in the Region
Environmental Benefits

- Based on current Environmental Protection Agency (EPA) air quality designation
- Projects in “non-attainment” areas for any transportation-related pollutant receive a “High” rating
- All other projects receive a “Medium” rating
Operating Efficiencies

- Rating is based on:
  - Difference between the ratios of Operating and Maintenance Costs to Systemwide Passenger Miles
  - Calculated for the Build and Baseline alternatives
Economic Development Effects

- Transit Supportive Plans and Policies
  - Growth Management
  - Transit Supportive Policies
  - Supportive Zoning Regulations Near Transit Stations
  - Tools to Implement Land Use Policies

- Performance and Impacts of Policies
  - Performance of Land Use Policies
  - Potential Impact of Transit Project on Regional Land Use
Cost-Effectiveness Index (CEI)

CEI = annualized capital cost + annual O & M cost

user benefits

- Measures cost per hour of “user benefits”
- Benefits and costs measured against a “Baseline” alternative
## Cost-Effectiveness Thresholds

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<thead>
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<th>Cost Effectiveness Rating</th>
<th>Cost Effectiveness Value</th>
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<tr>
<td>High</td>
<td>Less than or equal to $12.49</td>
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<td>Medium-High</td>
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<td>Medium</td>
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<td>Low</td>
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Land Use Criteria

- Existing land use patterns
- Transit supportive regional/local plans and policies
- Performance and impacts of policies
  - Performance of land use policies
  - Potential impact of project on land use
- Other land use considerations
Other Factors

- Other Factors Include, but are not limited to:
  - Environmental Justice considerations and equity issues
  - Opportunities for increased access to employment for low income persons, and welfare to work initiatives
  - Evidence that the proposed project is a principal element of a congestion management strategy
  - Other factors which articulate benefits of the project not captured in criteria
Case for the Project Report

- Five page summary
- Describes benefits of proposed project
- Describes why improvements represent the best possible solution to locally identified transportation problems
Financial Commitment Criteria

- **Non-New Starts Share (20%)**
  - 50% or more from other sources
  - Typically not more than $750 million

- **Strength of Capital Funding Plan (50%)**
  - Capital financial condition
  - Commitment of non-New Starts capital funds
  - System-wide state of good repair

- **Strength of Operating Funding Plan (30%)**
  - Operating financial condition
  - Commitment of O & M funds
  - Financial capacity to operate and maintain all existing and planned services
Project Ratings

- Overall project rating
  - Project justification rating (50%)
  - Local financial commitment rating (50%)

- Rating Scale:
  - “High”, “Medium High”, “Medium”, “Medium-Low”, “Low”

- A “Medium” rating requires at least a “Medium” for project justification and local financial commitment

- A rating of “Low” in either category results in an overall rating of “Low”
Project Ratings

- Project must receive an Overall Rating of “Medium” to enter PE or final design.

- FTA recommends FFGAs for projects as follows:
  - Are rated overall “Medium” or higher.
  - Are rated “Medium” or higher for cost effectiveness.
  - Are in the final design phase and demonstrate ‘readiness’ to utilize funds based on a reasonable schedule.
  - Can be completed with New Starts funds within program resources.
Mid-Coast Alternatives Evaluation

- Ridership Modeling – Each Alternative
  - FTA Concurrence on Model Development
  - FTA Approval of Model Results

- Calculate User Benefits
  - Use FTA Software (Summit)

- Cost Effectiveness
  - Annualized Capital Costs and O&M Cost
    - Capital Cost Reviewed by FTA
    - O & M Costs – MTS Costs for LRT & Bus
  - Divided by User Benefits
Questions?