

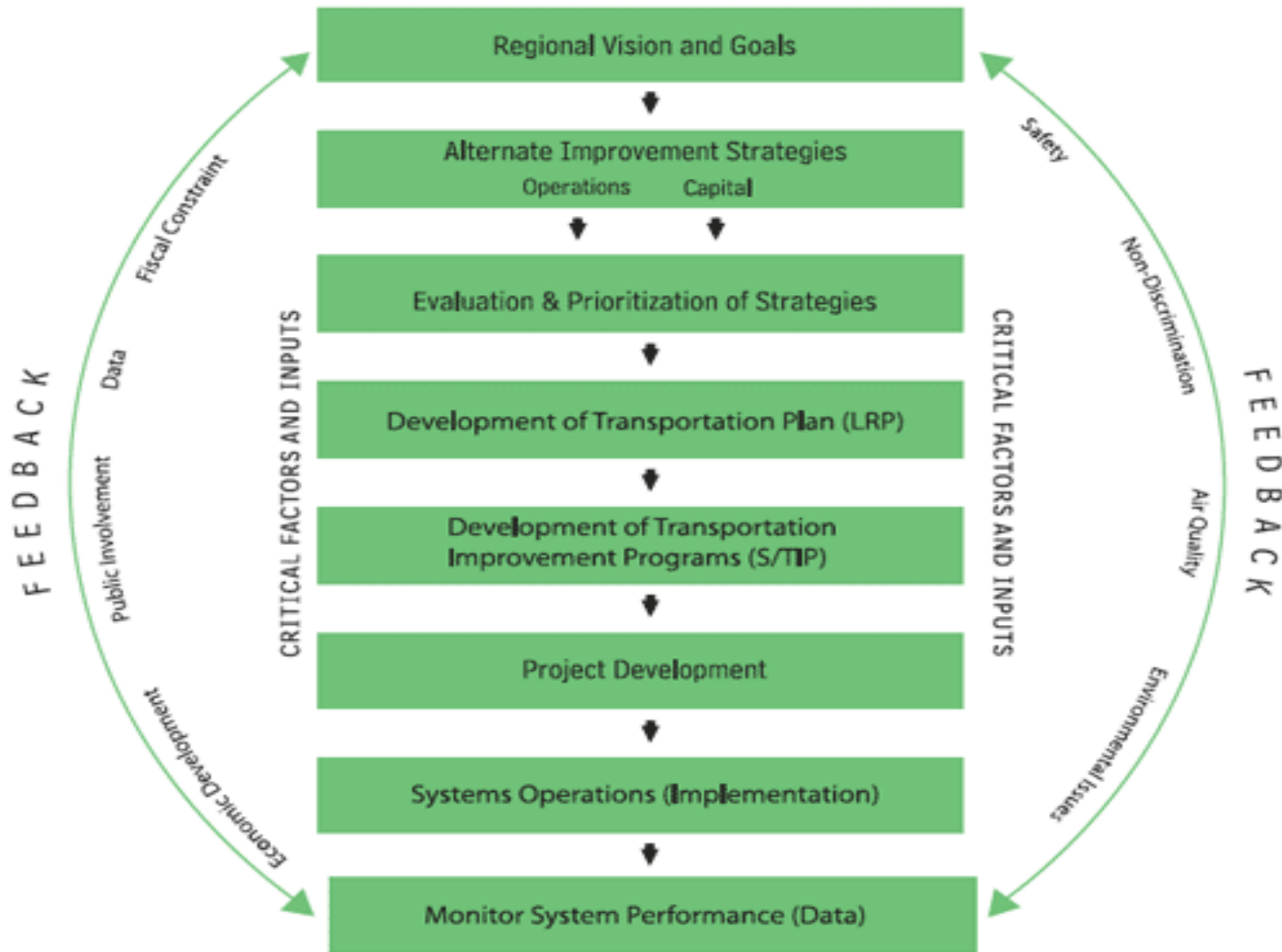
## Transportation Funding Overview

*City of Rockville  
December 14, 2011*

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# **Federal Transportation Project Approval Process**

# Project Selection Process



# Project Selection Process

	Who Develops?	Who Approves?	Time Horizon	Content	Update Requirements
UPWP	MPO	MPO	1 or 2 Years	Planning Studies and Tasks	Annually
MTP	MPO	MPO	20 Years	Future Goals, Strategies, and Projects	Every 5 Years 4 years for nonattainment and maintenance areas
TIP	MPO	MPO/ Governor	4 Years	Transportation Investments	Every 4 Years
LRSTP	State DOT	State DOT	20 Years	Future Goals, Strategies, and Projects	Not Specified
STIP	State DOT	US DOT	4 Years	Transportation Investments	Every 4 Years

*The Transportation Planning Process: Key Issues A Briefing Book for Transportation Decisionmakers, Officials, and Staff, FHWA/FTA, September 2007*

# Project Selection Process

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- Metropolitan Washington Council of Governments (MWCOCG)
  - Responsible for regional planning
  - Forum in which long-range transportation goals and projects are discussed, prioritized and funded
- Representatives on the COG come from
  - Elected officials from State of Maryland, Commonwealth of Virginia and District of Columbia
  - Elected officials from each of the counties
  - Elected officials from several cities in the region
  - Federal Agencies
  - State Departments of Transportation
  - Metropolitan Washington Airports Authority
  - WMATA
  - National Capital Planning Commission

# Project Selection Process

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- MWCOCG is to develop:
  - Unified Transportation Work Plan
  - a fiscally constrained long range transportation plan (CLRP) (20 years)
  - a Transportation Improvement Program (TIP) every four to six years
  - TIP is incorporated automatically into the State Transportation Improvement Program
- CLRP and TIP are developed after public outreach and identifying eligible projects
  - Ensure that projects in conformity with Air Quality Plan
  - Ensure that there is outreach to environmental justice communities and that there is not disproportionate impact on those communities
  - Addresses regional land use, housing, development and employment goals
  - Must include project cost estimates and identify financial resources to cover design, engineering, right of way acquisition and the capital cost of those projects
- Federally funded projects are also subject to the National Environment Policy Act (NEPA)
  - Establish the class of action based on the Purpose and Need of the NEPA document
  - Determination of class of action made by federal agency likely to be responsible for project

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# Federal Support

# Federal Highway Program

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- Gasoline taxes (18.4 cents), diesel taxes and General Funds paid into Highway Trust Fund (HTF)
- State of Maryland receives formula funds for:
  - National Highway System /Interstate Maintenance
  - Flexible highways funds for which a wide range of projects are eligible
  - Highway and Transit planning monies

# Federal Transit Program

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- Sources of funds
  - Gasoline taxes and General Fund monies paid into the Mass Transit Account
  - General Funds for New Starts, FTA Administration and research
- Mostly formula monies paid to designated grant recipients (WMATA and Maryland Transit Administration)
- Section 5307 monies can be used for capital projects and expenses to maintain federally purchased assets
- Section 5309 New Starts/Small Starts program

# New Starts/Small Starts

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## New Starts

Provides funds for construction of new fixed guideway systems, such as Bus Rapid Transit, or extensions to existing fixed guideway systems that cost over \$250 million.

## Small Starts

Provides funds to capital projects that:

- (a) are less than \$250 million in total cost of which no more than \$75 million is federal funding *and*
- (b) meet the definition of a fixed guideway for at least 50 percent of the project length in the peak period *or*
- (c) are corridor-based bus projects with 10 minute peak/15 minute off-peak headways or better while operating at least 14 hours per weekday.

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# State and Local Support

# State Funding

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- Transportation Trust Fund (TTF) largely supported by gasoline taxes and toll revenues
  - Governor O'Malley actively considering a fifteen cent (5 cents per year for three years) per gallon gasoline tax increase to supplement the TTF
  - Monies used to match federal funds and to advance state transportation priorities
  - One of few states that also funds transit from the TTF
- Project Decision-Making
  - Consolidated Transportation Program (CTP) is a six-year plan updated annually
  - Maryland Transportation Plan (MTP) is a twenty year plan updated every five years
  - Planning begins at the local level and advanced by regions to the MDOT and the Governor
  - Governor selects projects which are then submitted to the General Assembly for approval
    - General Assembly can reduce funding for projects but can't add funding for specific projects

# State Funding

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- Innovative Financing
  - Public-Private Partnerships are authorized under State law
  - State can bond against future federal monies and toll revenues (GARVEE)
  - Toll credits can be used as “soft match” for projects funded with federal monies
  - State can use the Transportation Innovative Finance Investment Act (TIFIA) to secure loan guarantees or credit enhancement
    - Can be applied to 33% of the project cost
    - Federal DOT must approve the grant TIFIA application

# Local Funding

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- Tax Increment Financing

- Revenues generated by the increase in assessed values of redeveloped property
- Issue non-recourse bonds that are repaid by the incremental taxes
- Required to establish the boundary of the TIF District and then establish a base year for taxes
- Maryland allows for designated Transit Oriented Development counties
- Eligible uses
  - Infrastructure –roads, utilities, lighting, parks, etc.
  - Public parking garages
  - Land acquisition, site removal, relocation
  - Capital and operating costs of infrastructure supporting Transit-Oriented Development (TOD) in certain counties

- Development Impact Taxes

- Assessed on new residential and commercial buildings and additions to commercial buildings in the county
- Fund, in part, the improvements necessary to increase the transportation systems capacity, thereby allowing development to proceed

- Sales and Property Taxes – Success rate nationally over 70 percent

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# Range of BRT Examples

# LA Metro Rapid



Opened  
June 2000

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2 original  
corridors  
equaling 42.4  
miles of service

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\$2.3M/mile

- Transit Signal Priority (TPS) along each corridor
  - GPS communication
- CNG low floor, 40-foot buses with a few 60-foot articulated buses
- “Rail-like” stations at 3/4 mile intervals
- NextBus displays at stations
- Ridership on the corridors up by 40 percent
- \$94.5 million in capital cost includes stations and TPS but not buses
- 30 percent of the ridership increase was new public transit riders
- Major centers on route
  - Warner Center
  - Beverly Hills
  - Santa Monica
  - Universal City
- First opened in 2002 and has since expanded to 28 corridors with 400 miles of service

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# LA Orange Line

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Opened  
October 29, 2005

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Serves a 14-mile  
corridor with 14  
stops

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\$25M/mile

- Dedicated right-of-way (running on a disused rail corridor)
- High-capacity articulated buses
- “Rail-like” stations at one mile intervals
  - On-level boarding
  - Off-board fare payment
- Headway based schedules
- CNG propulsion system
- \$350 million in capital cost (2005)
- 25,485 average weekday boardings
- Branded as part of the region’s light/heavy rail network
- Major centers on route
  - North Hollywood
  - Warner Center

# Eugene EmX

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Opened  
January 2007

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Serves a 4-mile  
corridor with 10  
stations

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\$6.25M/mile

- Dedicated lanes with median stations for 60 percent of the route
- Curbside bus lanes with queue jumping and signal priority for the remaining 40 percent of the route
- Articulated buses with on-level boarding
- Average daily ridership has increased from 2,700 to over 6,000 passengers since its opening
- Hybrid electric propulsion system
- Park and ride facilities
- \$25 million in capital cost (2007)
  - Cost includes purchase of six 63-foot designated articulated buses
- Major centers on route
  - University of Oregon
  - Sacred Heart Medical Center

# Cleveland RTA HealthLine

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Opened  
October 24, 2008

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Serves a 7.1-mile  
corridor with 58  
stations

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\$28.2M/mile

- Transit Signal Priority (TPS)
  - GPS communication
- Off-board fair payment
- Real time text display at stations
- Exclusive right-of-way lanes
- High-capacity articulated buses
- Level boarding stations
- Hybrid electric propulsion system
- 10,500 average weekday ridership
- \$200 million in capital cost (2008)
  - \$50 million for buses and stations
  - \$150 million for streetscape and roadway improvements along corridor
- \$6 million annual operating cost
- Major centers on route
  - Public Square
  - University Circle

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# Closing Thoughts

# Pathways for Funding

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- Must follow project planning and MPO process
- Non-BRT
  - Virtually all federal monies will be formula monies
  - Sources and eligible uses will depend on federal program
  - Priority of project(s) will depend on availability as well as state and local support
- BRT
  - Discretionary and formula monies are available but monies flow through Maryland Transit Administration or WMATA as grant recipients
  - Small Starts – can secure significant capital support but must follow project approval process in a competitive program
  - MTA from HTF, TIFs or toll credits (soft match) could provide local match
  - County/MTA provide monies to operate and maintain the project

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