

Streetcar Primer: Funding

Rail-Volution

October 20, 2010

Project Eligibility

- 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
- Small Starts
 - Less than \$250 M in total cost and seeking less than \$75 M in small start monies – 80/20 match
- Exempt
 - Projects seeking less than \$25 million eligible and not subject to project evaluation and rating process

Funding Availability for Streetcars

- New Starts/Small Starts
 - Total of \$2 billion in FY 2010
 - Of the above, \$200 million for Small Starts – no streetcar projects
- TIGER I Grants
 - Tucson - \$63 M
 - New Orleans - \$45 M
 - Detroit - \$25 M
 - Dallas - \$23 M
- Urban Circulators – unearmarked FY 08 and FY 09 monies
 - St. Louis Loop Trolley - \$24.99 M
 - Charlotte - \$24.99 M
 - Cincinnati - \$24.99 M
 - Fort Worth - \$24.99 M
 - Dallas - Olive/St. Paul Street Loop - \$4.9 M

FTA and New Starts Process

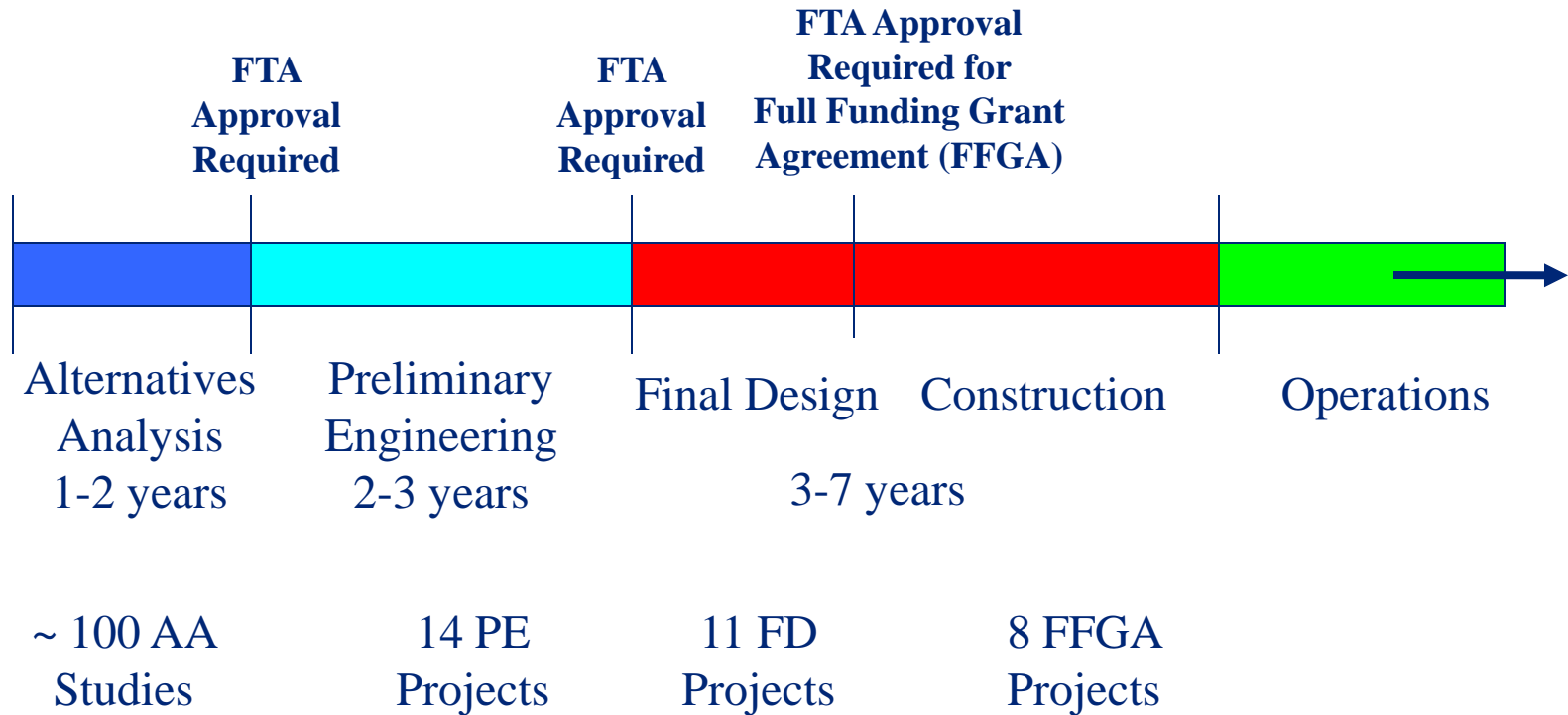
- FTA approval is required at each decision point
 - AA to Preliminary Engineering (PE)
 - PE to Final Design (FD)
 - FD to FFGA
- Must satisfy New Starts criteria at each phase of project development to be eligible to advance
 - Any project must be evaluated to determine if it will satisfy FTA review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

FTA and Small Starts Process

- FTA approval is required at each decision point
 - AA to Project Development (PD)
 - PD to Project Construction Grant Agreement (PCGA)
- Must satisfy Small 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 PD must be competitive in Small Starts process

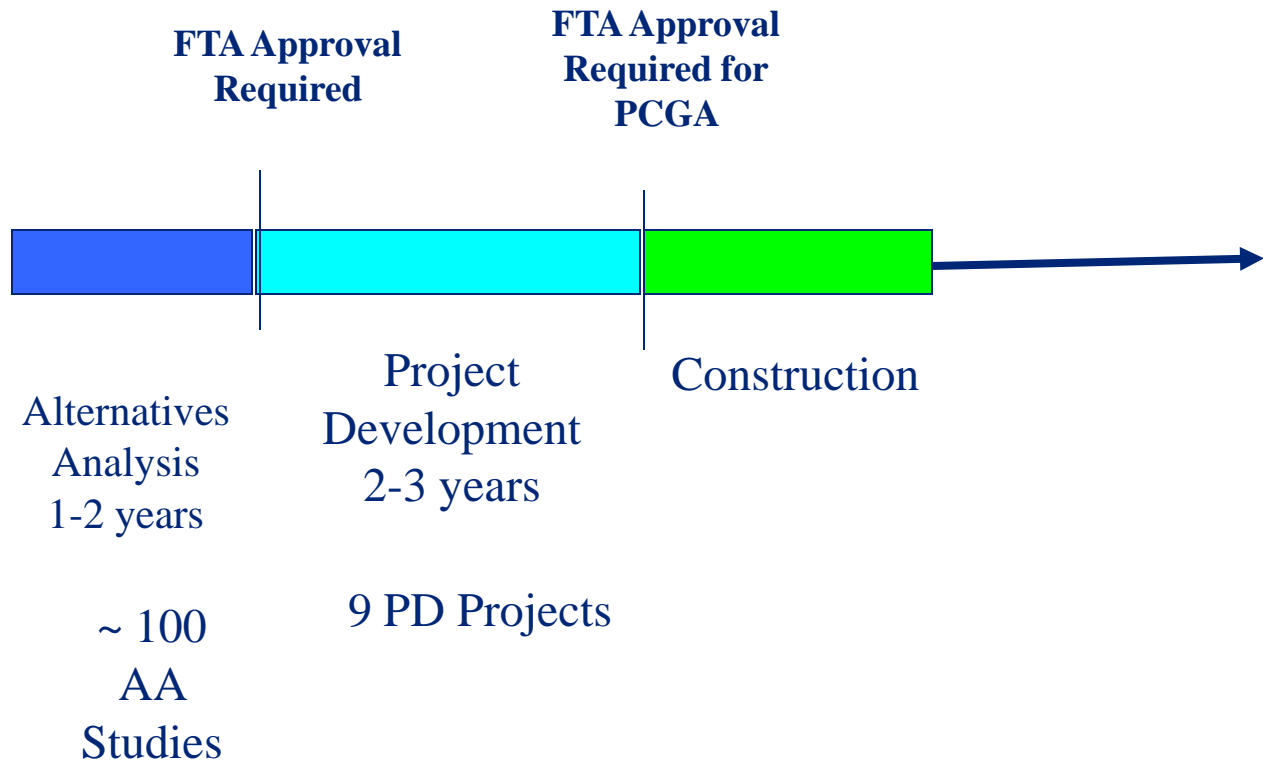
New Starts Project Development Process

- Project Development: Typically 6-12 Years

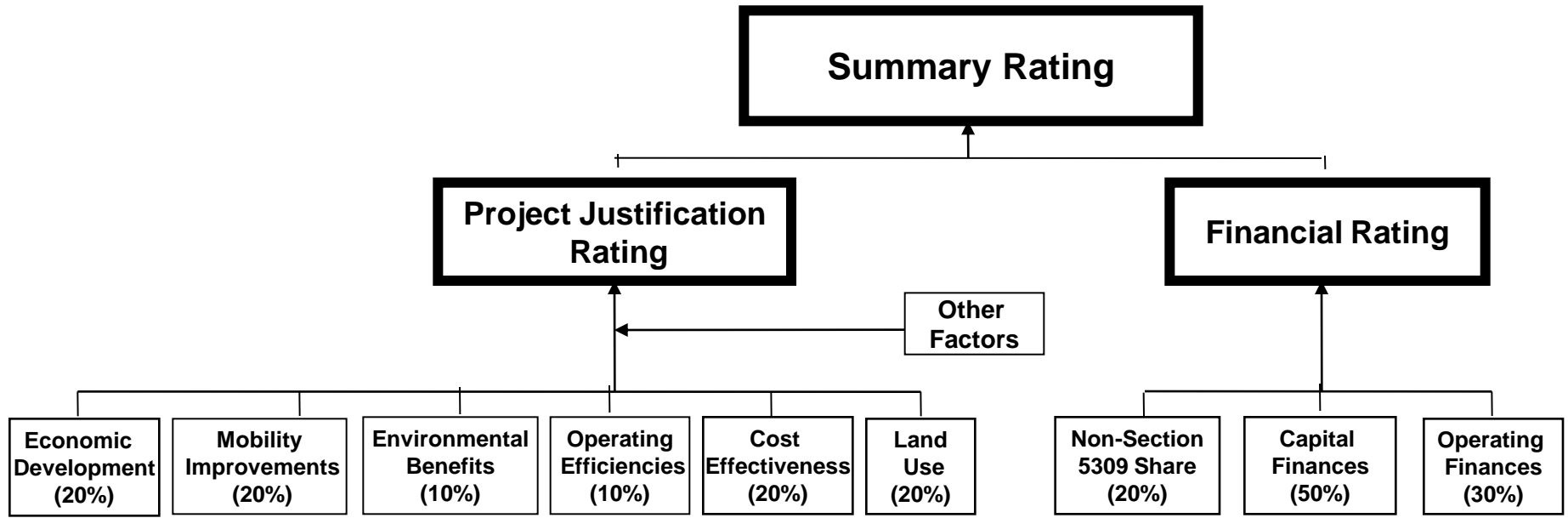


Small Starts Project Development Process

- Project Development: Typically 3-5 Years



Statutory New Starts Project Evaluation and Rating Framework



Why No Streetcar Projects Funded in New Starts?

- **Cost Effectiveness**
 - Focus on travel time savings favors greater distances between stations and faster moving technology
 - New Starts program is built around the peak hour trip
 - Current travel demand models unable to capture walk and bike trip
- **Baseline Alternative**
 - FTA requires use of same land use and economic development assumptions for both Build and Baseline
 - Process assumes that streetcars and TSM are neutral as to their development impact
- **Project Benefits**
 - Process captures project cost but fails to capture broader community benefits from streetcar investment – improvement in air quality, reduced energy consumption and improve quality of life
- **Program focused on “peak hour” while communities also want to shape land use/economic development and redevelop around project**

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