FTA-Assisted Joint Development: Policies and Projects

Rail~Volution: Idea Exchange
September 9, 2019
What is Joint Development?

- Transit improvement (or benefit)
- Non-transit development (TOD)
- Public, private or non-profit partner(s)
- Benefit- and cost-sharing contract(s)
FTA-Assisted Joint Development

• FTA interest in projects can be:
  – New funding for eligible expenses, or
  – Use of property acquired with FTA funds

• FTA has no JD-specific grant programs.
  – All FTA capital/planning funding is eligible.

• Use of property considerations:
  – Satisfactory continuing control
FTA-Assisted Joint Development: Eligible Activities

- Property acquisition
- Demolition of structures
- Site preparation
- Utilities
- Building foundations
- Walkways
- Ped/bike access to transit
- Intercity bus/rail stations
- Renovate/improve historic transportation facilities

- Open space
- Safety and security equipment and facilities
- Facilities that incorporate community services
- Intermodal transfer facility or transportation mall
- Construct space for commercial uses
FTA-Assisted Joint Development: Eligibility Criteria

i. Creates *economic benefit*

ii. Enhances *public transportation*

iii. Transit gets a *fair share of revenue*

iv. Non-transit pays a *fair share of costs*
FTA-Assisted Joint Development: Federal Goals for JD Projects

- Create **value capture** revenue streams for transit
- Attract **private funding** to public infrastructure
- Generate **transit ridership**, other public benefits
- Provide **maximum flexibility** to project sponsors
In April, FTA published two proposed changes to its joint development policy:

– Eliminate the minimum threshold for the fair share of revenue statutory eligibility criterion.

– Streamline the project request and review process.

Public comment period ended in June. FTA will publish final changes in the coming months.
FTA-Assisted Joint Development: 16 Project Approved Since 2014

Financial/Economic Benefits

- $50 million in FTA grants
- ~$500 million in new revenue for transit*
- ~$2.7 billion in private funds for local development*

Ratio of FTA Investment to Transit Revenue = $1:10

*projected amounts
FTA-Assisted Joint Development: 16 Project Approved Since 2014

Development Benefits

- 10.6 M sqft of mixed-use development
- 7,800 total housing units
- 3.4 M sqft of office/retail
FTA-Assisted Joint Development

New Carrollton, MD

Ratio of FTA Investment to Transit Revenue = 1 : 22

FTA-Assisted Joint Development

New Carrollton, MD

FTA-Assisted Joint Development

New Carrollton, MD

The Build America Bureau offers flexible loan programs

TIFIA, RRIF offer long flexible, low interest rate financing

- 35-year max repayment period
- Deferred repayment up to 5 years upon “substantial completion”
- No prepayment penalty
- Customizable amortization

Low Rates!
Interest rate on 9/4/2019: 1.97%
We build more than roads

Here are some other project eligibilities:

- Airports
- Seaports
- Bike-Ped facilities
- Intermodal facilities
- Transit (bus or rail) facilities or vehicles
- Transit-oriented development (TOD)

Learn more at [www.transportation.gov/buildamerica](http://www.transportation.gov/buildamerica)
Give me a call or drop me a line. Let’s talk about your projects.

Dan Schned
Project Development Lead
U.S. Department of Transportation
Build America Bureau

daniel.schned@dot.gov
202.366.2897
For more information about FTA’s Joint Development Policy

• FTA’s Joint Development Webpage
  – www.transit.dot.gov/JointDevelopment

• Contact Information
  – Adam Schildge
    • Director, FTA Office of Policy Review & Development
    • adam.schildge@dot.gov, 202-366-0778