Federal Tools to Advance TOD
Thursday, April 14, 2022
Participants

Federal Transit Administration

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Transit-Oriented Development Planning Discretionary Grant Program
Introduction - Pilot Program for TOD Planning

• Grants for comprehensive or site-specific planning in new fixed guideway and core capacity improvement transit project corridors

• Six previous rounds = 110 projects for $90 million

• Previous NOFO released April 21, 2021

• Applications were due on June 21, 2021

• Project Selection Announcements: January 2022

• FY22 Federal Register NOFO occurring this Spring
Goals for the Program

• Encourage comprehensive or site-specific TOD planning at transit station areas in corridors containing eligible projects

• Support TOD planning work that goes beyond what local agencies would usually fund themselves

• Encourage partnerships to maximize chances for successful TOD implementations
Grant Conditions

• Maximum 80 percent Federal funding share

• In-kind contributions permitted; transportation development credits (toll revenue credits) do not count towards the local match requirement

• Pre-award authority guidance with notice of award selections

• Section 5303 Metropolitan Planning Program requirements apply
Awards, 2015-2022: 110 Projects, $90M
Transit-Oriented Development Planning Map

List of Projects (Sorted by Award Year then State)
- Tempe Streetcar, Tempe, AZ (2015)
- Mid-Coast Corridor, San Diego, CA (2015)
- Peninsula Corridor Electrification Project, San Francisco to San Jose, CA (2015)
- Downtown Riverfront Streetcar, Sacramento and West Sacramento, CA (2015)
- BART Transbay Corridor Core Capacity, Oakland and San Francisco, CA (2015)
- Wave Streetcar, Fort Lauderdale, FL (2015)
- Tri-Rail Coastal Link, Miami to Jupiter, FL (2015)
- Atlanta BeltLine, Atlanta, GA (2015)
- MARTA I-20 East Rail Extension, DeKalb County, GA (2015)
- Red and Purple Line Modernization Phase One, Chicago, IL (2015)

Projects by Award Year (Click on a bar to select/unselect)

- 2015
- 2016
- 2017
- 2018
- 2019
- 2020
- 2021

Eri, USGS | Eri, Garmin, FAO, NOAA, EPA

Georgetown Powered by Eri
FTA Joint Development Program
Introduction – 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 the JD project, either:
- New FTA funding, or
- Property previously acquired with FTA funds

No FTA funding programs specifically for JD
- JD is eligible under all FTA’s capital grants programs

FTA-assisted property and funds used for JD are subject to:
- Statutory eligibility criteria
- Use of real property considerations
- Other cross-cutting federal requirements

FTA policy established in Circular 7050.1B
FTA Assisted Joint Development Eligibility Criteria

- Creates *economic benefit*
- Enhances *public transportation*
- Partner(s) provides a *fair share of revenue*
- *NEW* If equipment to fuel privately owned ZEVs is installed, *fees are collected* to cover costs
- Tenant(s) pays a *fair share of the costs*
FTA Assisted JD Eligible Activities

May include:

(I) property acquisition;
(II) demolition of existing structures;
(III) site preparation;
(IV) utilities;
(V) building foundations;
(VI) walkways;
(VII) pedestrian and bicycle access to a public transportation facility;
(VIII) construction, renovation, and improvement of intercity bus and intercity rail stations and terminals;
(IX) renovation and improvement of historic transportation facilities;

(X) open space;
(XI) safety and security equipment and facilities (including lighting, surveillance, and related intelligent transportation system applications);
(XII) facilities that incorporate community services such as daycare or health care;
(XIII) a capital project for, and improving, equipment or a facility for an intermodal transfer facility or transportation mall;
(XIV) construction of space for commercial uses; and
(XV) technology to fuel a zero-emission vehicle;
Bureau 101

Mission

Finance transportation projects
- Provide long-term, low-interest loans (TIFIA & RRIF)
- Allocate Private Activity Bonds (PAB)
  - Authorized to allocate $15B

LENDING CAPACITY

- ~$70 billion
- TIFIA
- ~$30 billion
- RRIF

Provide technical assistance
- Explore and optimize funding/financing options
- Assess the viability of public-private partnerships (P3)
- Cultivate and share best practices in project planning, finance, delivery, operations, and maintenance, etc.
- Navigate the regulatory compliance process

Technical Assistance Grant Programs
- Regional Infrastructure Accelerators
- Rural & Tribal Technical Assistant Grant
- Technical Assistance Grant for Asset Monetization

~$70 billion
~$30 billion

BIL
Bureau Programs

**TIFIA**
Transportation Infrastructure Finance & Innovation Act
- Surface transportation, public infrastructure, and economic development
- Finance up to 33%* of eligible project costs

~$70 billion

**RRIF**
Railroad Rehabilitation & Improvement Financing
- Passenger rail, freight rail, commuter rail, and transit-oriented development (TOD)
- Finance up to 75%* of eligible project costs

~$30 billion

**Key Loan Features**
- Long-term repayment period
  - Up to 75 years* BIL
  - Can be deferred for five years following substantial completion
  - No pre-payment penalty
- Highly customizable to meet borrower needs
- Also offer loan guarantees and lines of credit

**Private Activity Bonds**
- State+local governments issue tax-exempt bonds
- Private entity responsible for debt service
- Can be used in combination with TIFIA & RRIF

**Low Interest Rate**
2.82% for a 35-year loan (on 4/14/22)

Note: TIFIA & RRIF do not finance OPERATIONS!
Eligible Projects & Borrowers

**TIFIA**

**Eligible Projects**
- Roadways & bridges
- Transit vehicles & facilities
- Bicycle & pedestrian infrastructure
- Intelligent transportation systems
- Transit-oriented development
- Intermodal connectors
- Intercity rail and bus vehicles & facilities
- Refinance of above

**Eligible Borrowers**
- State, tribal, county, municipal governments
- State Infrastructure Banks
- Private entities/developers
- Special authorities
- Transportation improvement districts

**RRIF**

**Eligible Projects**
- Design/planning
- Freight rail facilities
- Freight transfer facilities
- Passenger rail vehicles, facilities, and equipment
- Transit-oriented development
- Intermodal rail equipment or facilities
- Refinance of above

**Eligible Borrowers**
- Railroads
- State and local governments
- Government-sponsored authorities & corporations
- Interstate compacts (410(a)) Amtrak Reform & Acc. Act of 1997
- Limited option freight shippers
- Joint ventures
TIFIA Rural Project Initiative (RPI)

• Additional Requirements:
  – Rural Project: Located outside of a Census-defined urbanized area with population greater than 150,000
  – Maximum Project Cost: $100 million or less

• Additional Benefits:
  – Finance up to 49% of costs
  – Fixed rate of ½ Treasury rate
  – No borrower fees

½ U.S. Treasury rate = 1.41% on 4/14/22
Key Program Requirements

**TIFIA and RRIF:**
- Project must meet Federal requirements (NEPA, Buy America, etc.)

**TIFIA:**
- Minimum project costs must exceed $10 million
- Maximum loan value 33% of eligible project costs (49% for rural projects)
- Bureau pays Credit Subsidy
- Senior debt must receive investment grade ratings (BBB-/Baa3) from nationally recognized credit rating agencies
- Project must be included in State’s transportation planning and programming cycle
- Project must have a dedicated revenue source that is pledged to secure debt service

**RRIF:**
- No minimum project cost. No maximum loan value
- Borrower pays Credit Risk Premium
- Borrower can often reduce costs by offering collateral
- Maximum loan value 75% of eligible project costs
Transit Portfolio

The Bureau’s growing transit portfolio features projects across the U.S., including:

- Urban & rural areas
- Multiple modes and asset classes (bus, heavy rail, light rail, intermodal, fixed guideway, stations, O&M facilities, etc.)
- Range of project sizes ($17m to $1+b)
- Most FTA regions
- Different types of borrowers (transit agencies, MPOs, etc.)
- Awardees from most FTA grant programs

**LYNX Blue Line**  
Charlotte, NC

**Union Station**  
Denver, CO

**MST O&M Facility**  
Monterey, CA

**Moynihan Hall**  
New York, NY

**Sound Transit LINK System**  
Seattle, WA
TIFIA “Public Infrastructure”

23 U.S.C. Ch. 6: INFRASTRUCTURE FINANCE

• §601. Generally applicable provisions ...
  – (a) Definitions.— ...
    • (12) Project.—The term "project" means—
      – (A) any surface transportation project eligible for Federal assistance under this title or chapter 53 of title 49;
      – (E) a project to improve or construct public infrastructure that is located within walking distance of, and accessible to, a fixed guideway transit facility, passenger rail station, intercity bus station, or intermodal facility, including a transportation, public utility, or capital project described in section 5302(3)(G)(v) of title 49, and related infrastructure;
Congress expanded eligibility of RRIF and TIFIA programs under FAST Act and Bipartisan Infrastructure Law, respectively, to include TOD projects: *economic development including commercial and residential development, and related infrastructure that:*

- incorporate *private investment of greater than 20 percent of total project costs*
- are *physically, or is within ½-mile of*, a station with rail service
- have a high probability of the Applicant *commencing the construction contracting process* not later than *ninety (90) days* after the date on which the loan or loan guarantee is obligated, and
- demonstrates the ability to *generate new revenue* by increasing ridership, tenant lease payments, or other activities that *generate revenue exceeding costs*

*RRIF* non-Federal match of at least 25% required; TIFIA: 20% non-federal match
## TOD Statutory Criteria

<table>
<thead>
<tr>
<th>Project Type</th>
<th>TIFIA: Public Infrastructure</th>
<th>RRIF: Economic Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>public infrastructure including a transportation, public utility, or capital project described in section 5302(3)(G)(v) of title 49, and related infrastructure;</td>
<td>economic development, including commercial and residential development, and related infrastructure and activities, that--</td>
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<tr>
<td>Private Investment</td>
<td>--</td>
<td>Minimum 20% private investment</td>
</tr>
<tr>
<td>within walking distance of, and accessible to</td>
<td>physically or functionally related</td>
<td>physically connected to, or is within 1/2 mile of</td>
</tr>
<tr>
<td>Relationship to Qualifying Station</td>
<td>• fixed guideway transit facility, • passenger rail station, • intercity bus station, • or intermodal facility</td>
<td>Rail stations**</td>
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<td></td>
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<td></td>
<td>Demonstrate can start construction contracting</td>
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<tr>
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<td>Demonstrate project generates revenues</td>
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Sustainable Infrastructure Investment

*TIFIA’s eligibility enables Bureau to finance anything that FTA can fund* including capital infrastructure associated with fleet conversion, including leasing of capital (batteries, vehicles, etc.)

Batteries & Fuel Cells  Vehicles  Capital Leases  Charging Infrastructure  Bus Facilities (stations, O&M, storage, etc.)  Power Generation  TOD

_Bureau Example_  
CTA Rail Rolling Stock

_Bureau Example_  
Monterey-Salinas Transit O&M Facility

_Bureau Opportunity_  
Potrolo Bus Yard Joint Development

*Image Sources: CTA, SFMTA, Monterey-Salinas Transit*
Example: TOD Corridor Planning

*TOD corridor planning for new or improved fixed guideway transit*

- **Conceptual Planning**
  - TOD Planning grant

- **Transit Capital Project**
  - FTA & DOT capital grants
  - Bureau loans

- **Transit-oriented Development**
  - Joint Development
  - Bureau loans
Q&A
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Joint Development
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Build America Bureau
https://www.Transportation.gov/BuildAmerica