

Overview of Capital Investment Grants and Expedited Project Delivery Project Pipeline of the Federal Transit Administration

Although the application and approval process of the Federal Transit Administration (FTA) for securing New Starts and other grants from the Capital Investment Grants (CIG) or Expedited Project Delivery (EPD) programs is very competitive and takes several years to complete, project sponsors nationwide continue to rely on these funding sources to complete the funding plans for their major capital fixed guideway projects. The demand for New Starts grants is the largest in terms of total funding committed in FFGAs, as well as requested for projects that are currently in the PD and PE phases. The demand for New Starts grants has increased in parallel with the growing demand for other grants from the CIG Program, therefore increasing the program's competitiveness. Regardless of its complexity, the CIG Program is very popular among project sponsors, as evidenced by the number of projects in the FTA's pipeline and the funding committed in grant agreements or requests pending approval.

There are currently 18 projects (14 New Starts and 4 Core Capacity) with approved Full Funding Grant Agreements (FFGAs) committing about \$6.2 billion in CIG funds beyond Federal Fiscal Year (FFY) 2021. Of this total, about \$4.9 billion are New Starts grants, including about \$2 billion for Metro. In addition, there are 2 New Starts projects in the PE Phase (in addition to 1 Core Capacity project) that would receive about \$0.8 billion beyond FFY 2021 contingent on the execution of the FFGAs. Also, there are 33 projects in the PD Phase (6 New Starts and 27 Small Starts) that could receive up to \$12 billion beyond FFY 2021 contingent on meeting at least a "minimum" overall project rating, among other criteria, and the execution of the grant agreements. About \$10 billion of this total is for New Starts projects. Also, the BART Silicon Valley Phase II Extension Project of the Santa Clara VTA may receive an EPD grant of about \$1.2 billion in addition to the \$125 million that the FTA has already allocated.

Overall, there are currently 55 projects in the FTA's CIG project pipeline, including Metro's 3 projects for the Purple Line Extension, that may result in up to \$20 billion in grants awards from the CIG Program. About \$16 billion (80 percent) from this total, regardless of the approval status of the project requests, is the current demand for New Starts grants. For comparison, Congress appropriated about \$13.8 billion in Section 5309 funds during the six-year period of the FAST Act (average of about \$2.3 billion). Therefore, it would take the equivalent of nine years of apportionments at current funding levels to fund all the projects that are currently in the FTA's project pipeline.

There are very strong similarities in the circumstances (e.g., Federal reauthorization, adoption of Long Range Transportation Plan, Federal stimulus funding for economic recovery, etc.) and need for action to support securing New Starts grants during the current decade compared to what led to Metro's success in securing New Starts grants for the Regional Connector and Purple Line Extension projects. However, the number of projects in the CIG "pipeline", particularly those seeking New Starts grants and the total of their grant requests, is much higher today compared to what led to Metro's success.