Project Introduction

• Preface to Work of the Streetcar Coalition/APTA Streetcar Subcommittee
  – Many “non-traditional” institutions getting involved with streetcars

• Began with survey of streetcar projects in the United States and followed up with detailed phone interview.

• 3 Types
  – Legacy ➔ still operating
  – Heritage ➔ vintage restoration
  – Modern ➔ modern application
Impetus & Issues

• Need for better understanding of these atypical institutional structures that are driving streetcar projects

• No Universal Model
  – Traditional Model → Transit Agency & FTA
  – Non-traditional Model → Who knows?

• Non-traditional Parties
  – Involved in a major way
  – Little to no experience with FTA and its procedures

• FTA Project Development & Liability
Funding Mechanisms

• Federal Government
  – Capital
  – Streetcars newly competitive for Federal Capital (Urban Circulator, Small Starts, etc.)
  – Congress, FTA Discretionary Programs (TIGER & UCG) & MPOs (5307)

• Local Government
  – Capital & Operations
  – City/County Government’s General Fund
  – Business/Local Improvement District
    • Usually for O&M

• Transit Agency
  – Oftentimes FTA Grantee
  – Service Operator and/or Vehicle Procurement

• State & Regional Governments
  – Rarely State Governments
  – Often some MPO involvement

• Developer/Private Enterprise
  – South Lake Union

• In general, projects utilized highly localized funding sources that are used to match the federal discretionary funding.

• “Diversity of funding sources is directly correlated to the complexity of a project’s governance structures and intergovernmental agreements.”
## Funding Distributions

<table>
<thead>
<tr>
<th>Project/Source</th>
<th>Federal</th>
<th>City/County</th>
<th>Transit</th>
<th>State</th>
<th>BID</th>
<th>Regional</th>
<th>Private</th>
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<td>Arlington, VA</td>
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<td>Charlotte, NC</td>
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<td>7%</td>
<td>O&amp;M</td>
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<td>1%</td>
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<td>Portland, OR</td>
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<td>13%</td>
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<td>49%</td>
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<td>Tempe, AZ</td>
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<tr>
<td><strong>Likelihood of Source</strong></td>
<td>0.93</td>
<td>0.80</td>
<td>0.47</td>
<td>0.40</td>
<td>0.27</td>
<td>0.20</td>
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<tr>
<td><strong>Average Contribution</strong></td>
<td>45.7%</td>
<td>20.5%</td>
<td>11.7%</td>
<td>8.5%</td>
<td>9.0%</td>
<td>0.6%</td>
<td>4.0%</td>
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</tbody>
</table>
FTA Relationships

- Majority of projects used federal monies
  - Seattle & Oklahoma City
- Owner ➔ City Government or NFP
- FTA Grantees ➔ Transit Agency, MPO or RTA
- Challenge: How to transfer federal liability and oversight from FTA grantee to project owner
- Traditional FTA project delivery is often a major challenge for non-traditional partners
Intergovernmental/Interlocal Agreements

• Charlotte is only project without an IGA/ILA
• Challenge: Delegation of oversight authority, usually to an external entity (SDOT or NFP)
• 4 Phases
  – Design
  – Project Funding
  – Delivery/Construction
  – Operations & Maintenance
• Separate Documents for Construction and Operations
Typical Institutional Roles

- **Local Governments**
  - Political Champion & Implementation Advocate
  - Owner
- **Transit Agency or RTA**
  - Technical Support (Planning & Design)
  - Operator
- **MPO**
  - Appropriator of Federal Highway Funds (CMAQ & STP Funds)
- **Not-For-Profit (if it exists)**
  - TIF/TAD Fund Manager
  - Neighborhood Representative (e.g. participant in project governance)
Decision Making

• Formal v. Informal
• Influence of Stakeholders
  – Major Employment Centers (Colleges & Hospitals)
  – Developers → Early involvement can save $
  – Neighborhood Associations
• Challenges of Collaboration
  – “Differing objectives, community cultures and levels of enthusiasm between different interest groups.”
  – Tension between Project Delivery and Project Quality
  – Time-intensive & Labor-intensive
  – Involvement of Private Parties

DE-CENTRALIZED Decision Making
Benefits of Collaboration

• FEDERAL FUNDING → $$$
• Efficiency Benefits
  – “Collaborative decision-making has not always been efficient, but the process has resulted in a superior project.”
  – Multiple project champions → higher chance of implementation
  – Multiple perspectives → recognition that project has economic development and land use components as well
  – Early participation from external parties → coordination of scope, schedules and budgets
• Quality Benefits
  – “While the collaborative approach takes additional time, the goal is to implement a project that is embraced by the local community.”
  – Early Public Involvement is key
    • Allows project team to understand user’s expectations
    • Provides valuable input that can be integrated into project
    • Allows public to take ownership of project
Transit Coordination

- Fare Collection Technology
  - Typically concordant with status quo
- Fare Policy
  - No significant changes
  - Work to accommodate existing operators
- Service Integration
  - Most built to connect to heavy/light rail
  - About 1/3 are reconfiguring bus service
- Bicycle Community
  - Planning
- Multi-Modal Stop Locations
  - Shared stops are rare, may require alteration to the existing bus stop and platform. It requires advanced planning.
Institutional Factors Impacting Design

- Utilities
- Maintenance/Storage Facilities
- Buy America Compliance
- Level Boarding/Bridgeplates
- Bridges
- Integration of Vintage/Modern
- Special Events
- Cycling/Pedestrian Improvements
Economic Development

• Most cities have conducted economic impact analysis revealing favorable economic outcomes if a Streetcar is implemented

• Non-traditional partners are more likely to conduct/commission additional economic development studies and strategies.
Utilities

• “Rules of Practice” creates the ability to work with the utility companies so that the project is not delayed due to utility relocation (Portland, Charlotte, Austin).
• The relationship between the project and the utilities varies from project to project. The involvement of the non-traditional partners changes the relationship.
• Streetscape upgrades vs. base streetcar design.
• Utility relocation vs. utility infrastructure upgrade/betterment.
• Correlation between a city’s streetcar experience and utility companies’ confidence in the project.
Operations & Maintenance

- Four Basic Arrangements:
  1. The existing transit agency operates the Streetcar.
  2. The existing transit agency contracts the operations and maintenance out to an operations and maintenance contractor.
  3. The city/non-traditional partner contracts the operation and maintenance out to an operations and maintenance contractor.
  4. A third party non-profit organization is in charge of managing system operations and maintenance.

- Direct Costs vs. Indirect Costs
- Hard Costs vs. Soft Costs – what level of administrative costs are transferred to the project?
Conclusions

• The development of streetcars has changed the rail project development process from what has been considered ‘traditional’ to date

• There is no one size fits all, and streetcar projects vary considerably across the country.

• The survey results demonstrate that streetcar projects tend to be funded through a larger number of sources (capital and O&M) as a ‘package’

• Adapting grant agreements to situations where the project sponsor and owner is not the grantee has proved challenging for many projects

• The current situation oftentimes leads to overly complex institutional structures which causes issues with decision-making and varying levels of experience with transit project and service delivery

• Balance between preserving all perspectives at the table to integrate the economic development aspects of the project with the transportation functionality
Thank you for your attention!

Questions?