



# Capital Investment Grants and Expedited Project Delivery Pilot Program Workshop

October 2022

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Presented by the  
Federal Transit Administration  
Office of Planning and Environment and  
Office of Program Management



U.S. Department  
of Transportation  
**Federal Transit  
Administration**

# Agenda

- Introductions
- What's New
- EPD Process Overview
- CIG Process Overview
- FTA Oversight



# Capital Investment Grants (CIG) Program

- **Largest FTA discretionary grant program**
  - Funds light rail, heavy rail, commuter rail, streetcar, and bus rapid transit projects
  - Demand for funds exceeds supply
- **Complex Statutory Framework:**
  - Project sponsor must be a State or Local Government Authority
  - Projects must complete a multi-year, multi-step process to be eligible for funds
  - FTA must evaluate and rate projects on multiple statutory criteria
  - FTA must perform project oversight
  - FTA must prepare Annual Report to Congress with proposed funding levels & project ratings
  - Sponsor must complete a study comparing cost/ridership estimates before grant award with actual numbers 2 years after opening for service
- **Three types of eligible projects: New Starts, Small Starts, and Core Capacity**



# Types of Eligible CIG Projects

## New Starts

Fixed guideway projects

> **\$400 M** in total cost or  
that are seeking **≥\$150 M**  
in CIG funds

CIG max share = 60%

## Small Starts

Fixed guideway or corridor-  
based BRT projects

< **\$400 M** in total cost and  
that are seeking **<\$150 M**  
in CIG funds

CIG max share = 80%

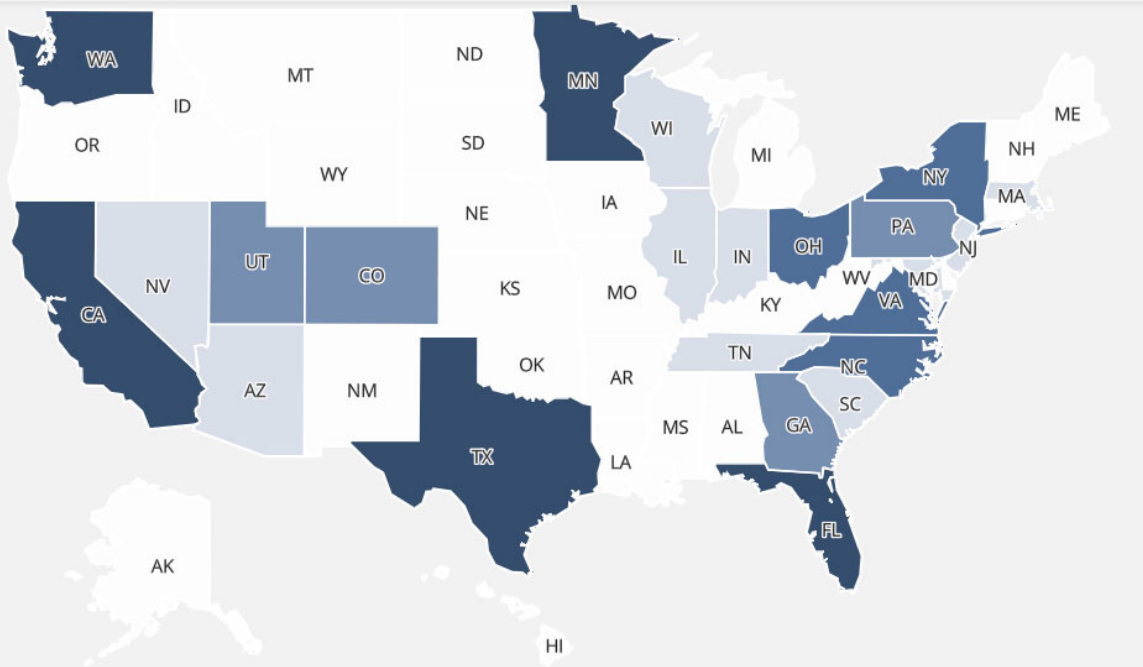
## Core Capacity

Project expands capacity  
by  $\geq 10\%$  in an existing  
fixed guideway corridor  
that is at capacity today or  
will be in **ten years without  
regard to temporary  
measures taken by sponsor**

CIG max share = 80%



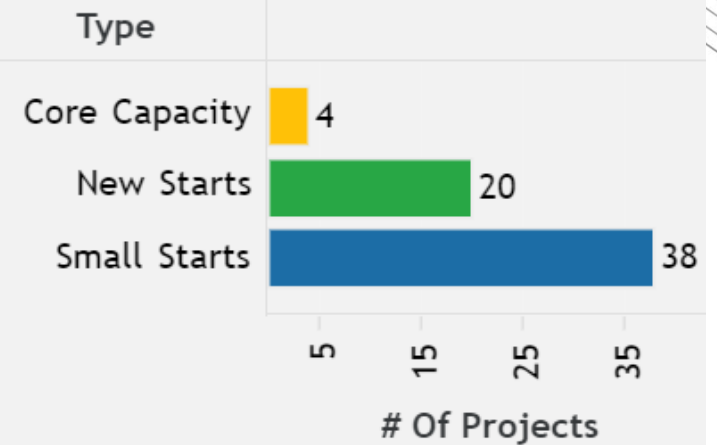
# 62 Projects in CIG Pipeline (as of Sept 20, 2022)



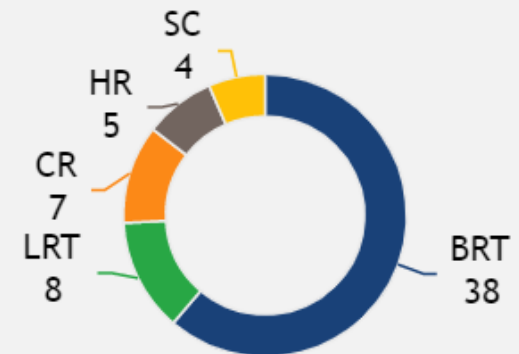
HR = Heavy Rail  
CR = Commuter Rail  
SC = Streetcar

LRT = Light Rail  
BRT = Bus Rapid Transit

Projects by Type



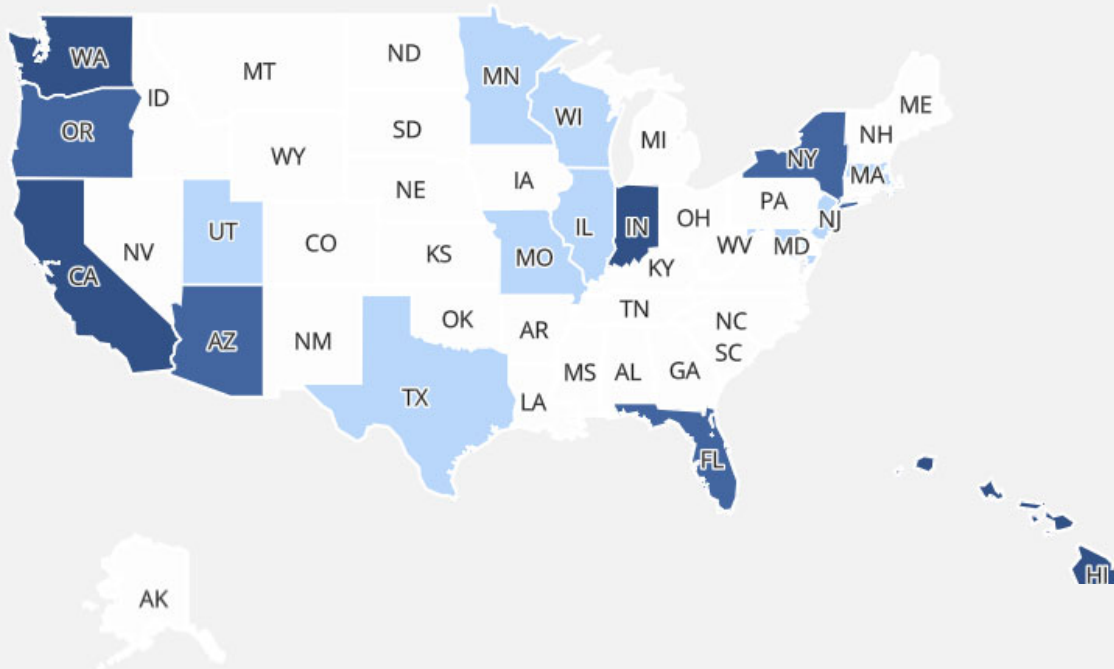
Projects by Mode



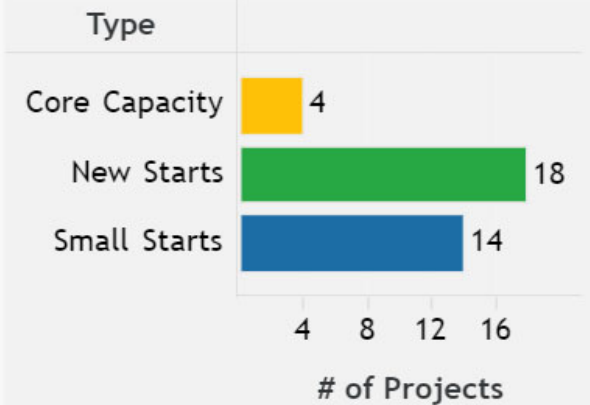
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# 36 CIG Projects Under Construction Grants

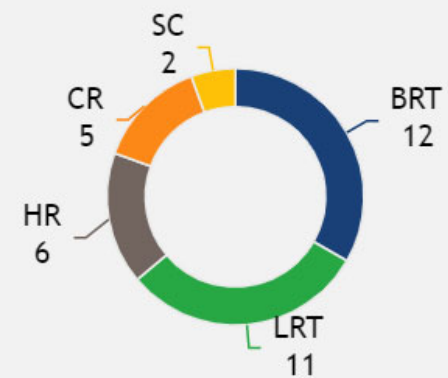
(as of Aug 2022)



value. The darker the blue indicates a higher amount of the metric.



Projects by Mode



# Expedited Project Delivery (EPD) Pilot Program

## History

- Authorized under Section 3005(b) of FAST Act (Dec 2015)
- Similar to, but distinct from CIG Program
- FTA published a Federal Register Notice soliciting expressions of interest (Sept 2018)
- Notice of Funding Opportunity published in the Federal Register (July 2020)
- Amended by the Infrastructure Investment and Jobs Act (Nov 2021)

## Parameters of the program

- Streamlines project delivery process and encourages innovative public private partnerships for projects seeking 25% federal share or less
- Awards to be made for new fixed guideway capital projects, small starts projects, or core capacity improvement projects that have not yet entered a construction grant
- Applications accepted on a rolling basis – law allows FTA to award up to eight (8) grants
- Requires a decision from FTA on project selection within 120 days of complete application



# CIIG Program Achievements

- 7 project openings in one year (Oct 2021 – Sept 2022) with 5 more expected through end of 2022
- 13 CIIG construction grants awards since Jan 2021 representing \$2.2 B in CIIG commitments, with 5 more anticipated awards by the end of 2022
- 27 new projects entered Project Development since Jan 2021, with 4 more requests currently under review





# CIG Policy Guidance Updates

- July 2021 – FTA published Request for Information seeking feedback on all evaluation criteria and CIG process
- Nov 2021 – BIL enacted with changes to the CIG program
- March 2022 – FTA published initial CIG guidance proposals for public comment
  - New Starts, Small Starts, and Core Capacity eligibility changes in BIL
  - Demonstrating progress toward meeting TAM targets to get a CIG grant award
  - How a Bundle of CIG projects enters Project Development phase
- FTA currently reviewing comments received and intends to publish final initial CIG guidance updates in the near future
- More comprehensive CIG policy guidance updates to be published for public comment in 2023



# CIG/EPD Funding Levels

- CIG and EPD are different programs with different requirements but are funded out of the account from the General Fund of the Treasury
- **BIL created new funding structure**
  - **\$1.6 B per year (2022-2026) in guaranteed advanced appropriations** to be distributed as follows:
    - Not more than 55% to New Starts (\$871,200,000)
    - Not more than 20% to Core Capacity (\$316,800,000)
    - Not more than 15% to Small Starts (\$237,600,000)
    - Not more than 10% to EPD (\$158,400,000)
    - FTA Oversight 1% (\$16,000,000)
  - **Up to \$3 B per year (2022-2026) in annual appropriations** subject to Congressional approval



# CIG/EPD Appropriations

	FY20	FY21	FY22
Total CIG	\$1.978 B	\$2.014 B	\$3.848 B
New Starts	\$1.458 B	\$1.169 B	\$2.330 B
Core Capacity	\$300.0 M	\$525.0 M	\$661.8 M
Small Starts	\$100.0 M	\$200.0 M	\$559.1M
Expedited Project Delivery Pilot Program	\$100.0 M	\$100.0 M	\$258.4 M
Oversight	\$19.78 M	\$20.0 M	\$38.48 M
Appropriation Act language	Remains available until 9/30/23	Remains available until 9/30/24	Remains available until expended

Authorizing law specifies the period of availability for CIG funds is 4 years. In annual appropriations acts, Congress sometimes specifies allocation and or obligation deadlines that differ from the period of availability.



# FY23 CIG/EPD Funding Proposals

	FY23 President's Budget Proposal Total	FY23 House Mark June 2022	FY23 Senate Mark July 2022	Difference Pres Budget vs House Totals	Difference Pres Budget vs Senate Totals
New Starts	\$ 2,951,684,158	\$2,768,366,000	\$2,746,090,000	(\$183,318,158)	(\$205,594,158)
Core Capacity	\$ 456,319,539	\$ 278,314,000	\$ 337,600,000	(\$178,005,539)	(\$118,719,539)
Small Starts	\$ 389,096,303	\$ 410,800,000	\$ 727,731,000	\$21,703,697	\$338,634,697
EPD	\$ 608,400,000	\$ 508,400,000	\$ 258,400,000	(\$100,000,000)	(\$350,000,000)
Oversight	\$ 44,500,000	\$ 46,120,000	\$ 41,110,000	\$1,620,000	(\$3,390,000)
For existing NS and CC FFGAs -- not to count toward max CIG amount outlined in FFGA		\$ 600,000,000	\$ -	\$600,000,000	\$ -
Total	\$ 4,450,000,000	\$4,612,000,000	\$4,110,931,000	\$162,000,000	(\$339,069,000)



# CIG Dashboard – new in BIL

- BIL requires a public CIG Dashboard showing current information for each project seeking a CIG construction grant
- Posted at <https://www.transit.dot.gov/funding/grant-programs/capital-investments/current-capital-investment-grant-cig-projects>
- Updated monthly

- A "snapshot in time"
- Based on most current information from sponsors

Last updated: 6/27/2022

**Capital Investment Grants Dashboard**

*All proposed Capital Investment Grants (CIG) Program projects proceed through planning and design, information contained herein concerning scope, cost, funding, and ratings may change.*

Project Name	Project Sponsor	City/Urbanized Area	State	Mode	Length (Miles)	Number of Stations	Estimated BRT	Project Cost (\$ millions)	CIG Funding (\$ millions)	CIG Share (%)	NEPA Completion	POA Date	RD Entry Date	Local Request Date	Local Decision Date	LOAP Action	Project Rating (Project Date)	Project Rating (Date)	Overall Project Rating	Next CIG Milestone	Estimated Grant Date
Chenasee Line Power Improvements	NYMTA	New York	NY	RR	6.0	14	N/A	\$ 372.9	\$ 100.0	27%	8/04/2016	12/12/2014	6/22/2017	12/13/2016	1/19/2017	Approved	Aug 2016	Nov 2016	MH	Committed	TBD
Norfolk Virginia Open Capacity Project	VMTA	Norfolk Virginia	VA	HR	7.4	9	N/A	\$ 2,415.9	\$ 780	32%	11/22/2017										TBD
METRO Blue Line Extension (Indersburg LRT)	Met Council	Minneapolis	MN	LRT	13.5	11	N/A	\$ 1,559.2	\$ 782.7	50%	9/15/2016	8/25/2014	6/19/2017				Aug 2016	Nov 2016	MH	In Progress	TBD
Gold Line BRT	St. Paul	St. Paul	MN	BRT	10.3	16	7.0	\$ 506.3	\$ 256.3	47%	1/17/2020	1/16/2016	4/19/2021	4/15/2022			Feb 2021	Mar 2021	MH	In Progress	August 2022
Second Avenue Subway Phase 2	NYMTA	New York	NY	HR	1.6	3	N/A	\$ 5,946.7	\$ 3,454.9	49%	1/11/2016	12/23/2016	1/9/2022				Aug 2021	Jan 2022	MH	In Progress	March 2023
Englewood Transit Corridor Project	City of Englewood	Los Angeles	CA	HR	1.0	3	N/A	\$ 1,148.0	\$ 780	70%											TBD
West Santa Ana Branch Transit Corridor	LACMTA	Los Angeles	CA	LRT	14.8	9	N/A	\$ 4,800.0	\$ 5,100												TBD
Transbay Downtown Rail Extension	Transbay JPA	San Francisco	CA	CR	1.6	2	N/A	\$ 4,400.0	\$ 5,000												TBD
Northwest Corridor Rapid Transit Project	OTPA	Miami	FL	CR	13.0	8	N/A	\$ 414.0	\$ 207.0	50%	10/26/2017										TBD
Red Line Extension	CTA	Chicago	IL	HR	5.6	4	N/A	\$ 2,507.0	\$ 780	30%											TBD
METRO Purple Line BRT	Met Council	St. Paul	MN	BRT	15.0	21	11.0	\$ 445.0	\$ 218.0	49%	10/5/2021	12/19/2021									TBD
FLNAY Seawall, Hudson Tunnel(s)	PANYNJ	New York	NY	CR	6.5	N/A	N/A	\$ 12,985.5	\$ 5,562.6	44%	5/26/2021	3/14/2016					Aug 2021	Nov 2021	MH	In Progress	TBD
Southeast Corridor LRT	Amtrak	Portland	OR	LRT	12.0	13	N/A	\$ 2,500.0	\$ 2,500.0	100%	4/8/2022	3/15/2019									TBD
King of Prussia Rail Project	SEPTA	Philadelphia	PA	LRT	3.8	5	N/A	\$ 2,082.0	\$ 780	38%	1/8/2021	10/10/2021									TBD
Lowcountry Rapid Transit	SCOTD	Charleston	SC	BRT	21.3	20	11.7	\$ 825.1	\$ 375.0	46%	3/16/2021	9/27/2019									TBD
Blue Line Light Rail Transit Project	CapMetro	Austin	TX	LRT	8.2	11	N/A	\$ 4,550.0	\$ 780	17%											TBD
Initial Investment of Orange Line Light Rail Transit	CapMetro	Austin	TX	LRT	12.0	15	N/A	\$ 5,700.0	\$ 780	14%											TBD
University Corridor Bus Rapid Transit Project	METRO	Houston	TX	BRT	25.3	41	25.3	\$ 1,560.0	\$ 995.0	64%	9/26/2021										TBD
Advanced Rapid Transit (ART) North-South Corridor	VTA	San Jose	CA	BRT	11.7	27	8.8	\$ 325.0	\$ 158.1	49%											TBD
Richmond Highway BRT	Fairfax County	Fairfax County	VA	BRT	7.4	9	8.7	\$ 730.0	\$ 265.0	36%	1/7/2022	3/13/2020					Aug 2021	Nov 2021	MH	In Progress	TBD
Flagstaff Transit Spine BRT	NAPTA	Flagstaff	AZ	BRT	13.0	TBD	TBD	\$ 82.9	\$ 780	9%											TBD
Downtown Breaker	LACOT	Los Angeles	CA	CR	3.4	23	N/A	\$ 296.4	\$ 100.0	34%	4/18/2019	2/28/2014					Sep 2018	Nov 2018	ML	In Progress	TBD
CLRT Highway 1 Bypass and BRT	BCRT	Monterey Bay	CA	BRT	6.0	5	TBD	\$ 55.8	\$ 14.5	26%	4/22/2020										TBD
Downtown Riverfront Streetcar	SanCTA	San Bernardino	CA	BRT	1.0	3	N/A	\$ 117.0	\$ 58.5	50%	2/22/2016	5/10/2014									TBD
West Valley Connector BRT	SBCTA	San Bernardino	CA	BRT	13.0	21	3.5	\$ 260.8	\$ 86.8	33%	5/12/2020	2/15/2018					Aug 2020	Nov 2020	MH	In Progress	June 2022
Coffey Avenue BRT	CO	Denver	CO	BRT	9.9	11	5.5	\$ 800.0	\$ 1,800	22%											Early 2024
West Elizabeth Corridor	City of Fort Collins	Fort Collins	CO	BRT	3.0	TBD	0.0	\$ 74.3	\$ 780	10%											TBD
East-West Corridor Rapid Transit Phase 1 Project	OTPA	Miami	FL	BRT	13.0	3	TBD	\$ 281.0	\$ 92.7	33%	10/26/2021										TBD
Southwest Corridor to Orlando Airport	FLDOT	Orlando	FL	CR	5.5	TBD	N/A	\$ 175.0	\$ 125.0	71%	1/22/2021	1/26/2015									TBD
Central Streetcar Extension and Modernization	City of Tampa	Tampa	FL	CR	4.0	17	N/A	\$ 234.5	\$ 69.9	30%											TBD
Clayton Southern BRT	MARTA	Atlanta	GA	BRT	15.0	13	TBD	\$ 336.1	\$ 150.0	44%	2/24/2022										2024
IndyGo Blue Line Bus Rapid Transit	IndyGo	Indianapolis	IN	BRT	24.0	36	16.0	\$ 220.0	\$ 100.0	45%	4/11/2018	N/A	11/9/2021	12/5/2021	Denied		Aug 2019	Nov 2019	MH	Committed	2023
CLRT F Line BRT	Met Council	St. Paul	MN	BRT	13.0	23	TBD	\$ 315.0	\$ 150.0	48%											TBD
Rochester Rapid Transit	City of Rochester	Rochester	MN	BRT	2.6	7	1.4	\$ 114.5	\$ 56.1	49%	2/11/2020										June 2024
North-South BRT	Chapel Hill Transit	Chapel Hill	NC	BRT	5.2	18	5.7	\$ 141.3	\$ 100.0	71%	1/12/2016										2024
Water Bus Rapid Transit, New Bern Avenue Project	City of Raleigh	Raleigh	NC	BRT	5.4	10	3.1	\$ 145.1	\$ 50.0	34%	3/4/2021	5/28/2019					Aug 2019	Nov 2019	MH	In Progress	July 2022
Water Bus Rapid Transit, Southern Corridor Project	City of Raleigh	Raleigh	NC	BRT	5.0	6	TBD	\$ 89.0	\$ 126.0	14%											2025
Water Bus Rapid Transit, Western Corridor	City of Raleigh	Raleigh	NC	BRT	12.0	19	TBD	\$ 180.0	\$ 780	43%											TBD
Maryland Parkway High Capacity Transit Project	RTC	Las Vegas	NV	BRT	13.0	23	7.3	\$ 287.0	\$ 99.9	35%	12/18/2019	1/29/2020									TBD
Southwest Rapid Bus Service	NYCT	New York	NY	BRT	6.1	11	4.2	\$ 258.8	\$ 127.2	50%	1/15/2018	5/22/2015					Aug 2019	Nov 2019	MH	In Progress	TBD
Midtown Line BRT	GOARTA	Cleveland	OH	BRT	4.0	TBD	TBD	\$ 60.0	\$ 20.0	33%	3/3/2022										June 2024
East Main Street BRT	GOARTA	Columbus	OH	BRT	13.0	18	TBD	\$ 220.0	\$ 230.0	10%	10/22/2021										TBD
East Broad Street BRT	GOARTA	Columbus	OH	BRT	8.6	16	TBD	\$ 180.0	\$ 159.0	88%	10/22/2021										TBD

# Current Market Conditions

- Inflation/supply chain/worker shortages
  - National trend
  - Regional trends
- Project delivery methods
  - Progressive Design-Build gaining interest
- Limited construction bids received
  - Important how agency responds
  - Awareness of increasing cost estimates



# Buy America Changes – new in BIL



- Nov 2021 - Build America, Buy America Act (BABA) (Sections 70901-52 of the Infrastructure Investment and Jobs Act)
  - “none of the funds made available for a Federal financial assistance program for infrastructure . . . may be obligated for a project **unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States.**”
- April 2022 - OMB memorandum M-22-11, “Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.”
  - Guides federal agencies’ initial implementation of BABA
  - Included a Request for Information and invited public comments on key questions related to implementation
- May 2022 -- USDOT issued a general waiver that delays the effective date of BABA’s domestic preference requirements for construction materials, until November 10, 2022



# Other USDOT Funding Programs



## July 2022

- FTA released NOFO for All Stations Accessibility Program.
  - Funds projects to upgrade the accessibility of legacy rail fixed guideway public transportation systems. \$343 million available. Applications were due Oct 7, 2022.
- FTA released Ferry NOFO. \$294 M million available. Applications were due Sept 2022, under review.

## August 2022

- USDOT announced \$2.2 billion in RAISE project selections
- FTA announced \$1.6 B in Bus and Low-No Emissions selections

## Sept 2022

- USDOT published Multimodal Project Discretionary Grant Opportunity NOFO (INFRA, Mega, and Rural). Applications were due May 2022. INFRA selections announced Sept 2022. Mega/Rural still under review.

## October 2022

- Build America Bureau announced TIFIA 49 -- changes to USDOT loan program allowing loans up to 49% for transit and TOD projects (versus previous 33% maximum)



# NEPA NEWS



# NEPA “Major Projects” – BIL Changes



- BIL revised and codified aspects of the Trump Administration’s One Federal Decision Executive Order (EO 13807) (later revoked by the Biden Administration)
- BIL added a new definition for “Major Project,” which applies when all of these conditions are met:
  - Multiple permits, approvals, reviews, or studies required under Federal laws other than NEPA
  - Reasonable availability of funds sufficient to complete the project (project sponsor identifies)
  - Not a FAST-41 covered project (FTA-funded projects do not follow FAST-41)
  - Lead agency decides to prepare an Environmental Impact Statement (EIS)
- If a project sponsor requests it, an Environmental Assessment (EA) project can be a “Major Project” if it meets the other three conditions and FTA approves the request



# NEPA “Major Project” Requirements



- Schedules:
  - In general, achieve an agency average of 2 years to complete NEPA for major projects
  - NOTE: With some exceptions the existing Council on Environmental Quality (CEQ) regulation still requires that all EISs be completed within 2 years and that EAs be completed within 1 year, but DOT has decided programmatically that major project EAs follow the 2-year timeframe
  - Can be adjusted, with different requirements for major and non-major projects
  - Project authorizations within 90 days of Record of Decision (exceptions provided)
  - Cooperating agencies that miss milestones have new reporting requirements
- Requires a performance accountability system to track major projects (Federal Permitting Dashboard)



# Page Limitations



- Council on Environmental Quality Regulation:
  - For EISs, the following sections are subject to page limits: purpose and need; alternatives; and affected environment and environmental consequences
  - These sections of EISs must be 150 pages or fewer (no exception provided)
  - EISs for projects that involve unusual scope or complexity must be 300 pages or fewer, unless a senior agency official of the lead agency approves a different limit
  - EAs must be 75 pages or fewer, unless a senior agency approval approves another limit
- **New Change in BIL:**
  - Those same EIS sections must be 200 pages or fewer, regardless of scope or complexity, unless the lead agency approves another limit



# Guidance on Statutory Revisions

- Joint FHWA/FRA/FTA “Environmental Review Provisions in BIL/IIJA Questions and Answers (September 8, 2022)” available at <https://www.transit.dot.gov/regulations-and-programs/environmental-programs/environmental-review-provisions-biliija-questions>
- Update to the “SAFETEA-LU, Sec. 6002”/“Section 139 Environmental Review Process” guidance underway



# NEPA Reporting

- Annual NEPA Reporting Program (Fiscal Year)

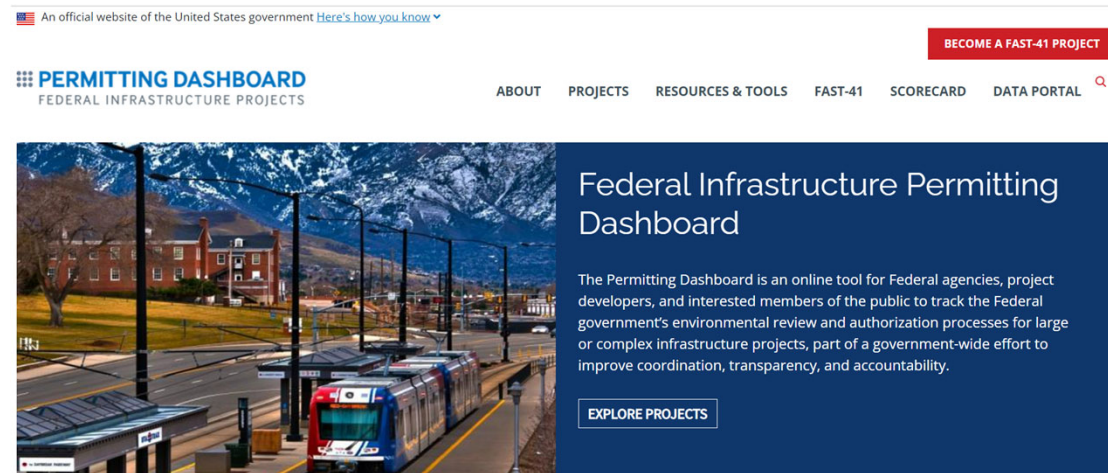
Reporting Measure (FY)	C-List Categorical Exclusion	D-List Categorical Exclusion	Environmental Assessment	Environmental Impact Statement
Number of Actions Complete/Issued	✓	✓	✓	✓
Number of Actions Pending		✓	✓ *	✓ *
Time			✓	✓

\* Additional reporting: Percentage of those proposed actions for which (1) funding has been identified AND (2) all other Federal, State, and local activities that are required to allow the proposed action to proceed are completed



# Federal Permitting Dashboard

- <https://www.permits.performance.gov/>
- Required for all EA and EIS projects
- Reminders:
  - All entries should have all actions identified (e.g., Sec. 106, Endangered Species Act, Clean Water Act)
  - Section 4(f) should be added as an “optional milestone,” as appropriate



# Categorical Exclusions (CE)

- CE for projects of limited Federal assistance (23 CFR 771.118(c)(13)) have increased project cost thresholds:
  - (13) Federally funded projects:
    - (i) That receive less than \$6,000,000 (as adjusted annually by the Secretary to reflect any increases in the Consumer Price Index prepared by the Department of Labor, see [www.fhwa.dot.gov](http://www.fhwa.dot.gov) or [www.fta.dot.gov](http://www.fta.dot.gov)) of Federal funds; or
    - (ii) With a total estimated cost of not more than \$35,000,000 (as adjusted annually by the Secretary to reflect any increases in the Consumer Price Index prepared by the Department of Labor, see [www.fhwa.dot.gov](http://www.fhwa.dot.gov) or [www.fta.dot.gov](http://www.fta.dot.gov)) and Federal funds comprising less than 15 percent of the total estimated project cost.
- Joint FTA/FHWA notice coming soon regarding the Consumer Price Index





# Real Estate and NEPA

- Current Tools
  - Real Estate and NEPA FAQs  
[https://www.transit.dot.gov/sites/fta.dot.gov/files/2021-01/Real-Estate-and-NEPA-FAQs\\_0.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/2021-01/Real-Estate-and-NEPA-FAQs_0.pdf)
  - Dear Colleague Letter  
<https://www.transit.dot.gov/sites/fta.dot.gov/files/2022-07/Dear-Colleague-Letter-Real-Estate-and-NEPA.pdf>
- **NOTE:** A project sponsor cannot acquire property prior to NEPA completion unless one of the limited exceptions applies
- Future Plans
  - Late 2022: External webinar



# CEQ NEPA Regulations Updates



- CEQ Phase 1 Final Rule
  - Definition of effects or impacts: Restored the prior definition (1978 version) of “effect” or “impact,” including the sub-definition of “cumulative impacts”
  - Definition of purpose and need: Reverted to the previous (1978) definition of “purpose and need” and no longer requires federal agencies to prioritize an applicant’s goals over other factors, such as the public interest
  - Federal agency NEPA procedures: Removed restrictions found in the 2020 CEQ Regulation to restore flexibility concerning agency NEPA procedures (i.e., the CEQ regs are the floor, not the ceiling, of requirements)
  - Effective Date: May 20, 2022
  - **No major changes to FTA’s current practices**
- CEQ Phase 2 Notice of Proposed Rulemaking (timing TBD) will take a broader look at the 2020 CEQ Regulation



# Equity/Environmental Justice



## **New**

- DOT Equity Plan (April 2022)
- Climate and Economic Justice Screening tool (BETA version 2022)
- DOT Justice40 tool (Transportation Disadvantaged Tracts)

## **Proposed**

- FTA Environmental Justice Standard Operating Procedure (timing TBD)
- NTI Environmental Justice for Transit Professionals Course Offering (2023)

## **Existing**

- Environmental Justice Policy Guidance for FTA Recipients (FTA Circular 4703.1, 2012)
- Environmental Justice FAQs



# **EXPEDITED PROJECT DELIVERY PILOT PROGRAM PROCESS OVERVIEW**



Description	Criteria	
Maximum Federal Share including EPD	25%	✓
Planning (STIP/TIP)	Complete	✓
NEPA	Complete	✓
Design Requirement	30%	✓
Public Private Partnership	Executed and complete	✓
Critical Third-Party Agreements	Executed and complete	✓
State of Good Repair	Certified	✓
Project Justification	Justified in 5 criteria	✓
Outstanding Injunctions and Lawsuits	None	✓
Operation and Maintenance	Existing transit provider	✓
Project Advisor	Independent from investors	✓
Non-EPD Capital Funds	Committed	✓

## EPD Pilot Program Requirements For Grant Award



# EPD Pilot Program Applications

FTA will concurrently notify Congress and the applicant in writing and within 120 days of receiving a completed application, of one of the following:

Selected: Application Approved	Not Selected: Application Denied
FTA selects the project for either a Letter of Intent (LOI) or Grant Award	FTA provides an explanation on the reasons the application was deemed “not justified”

If a project is selected, FTA extends pre-award authority for:

- Engineering;
- Utility relocation;
- Real estate acquisition;
- Long lead items, including vehicles; and/or
- Construction

# EPD Pilot Program

## Letter of Intent

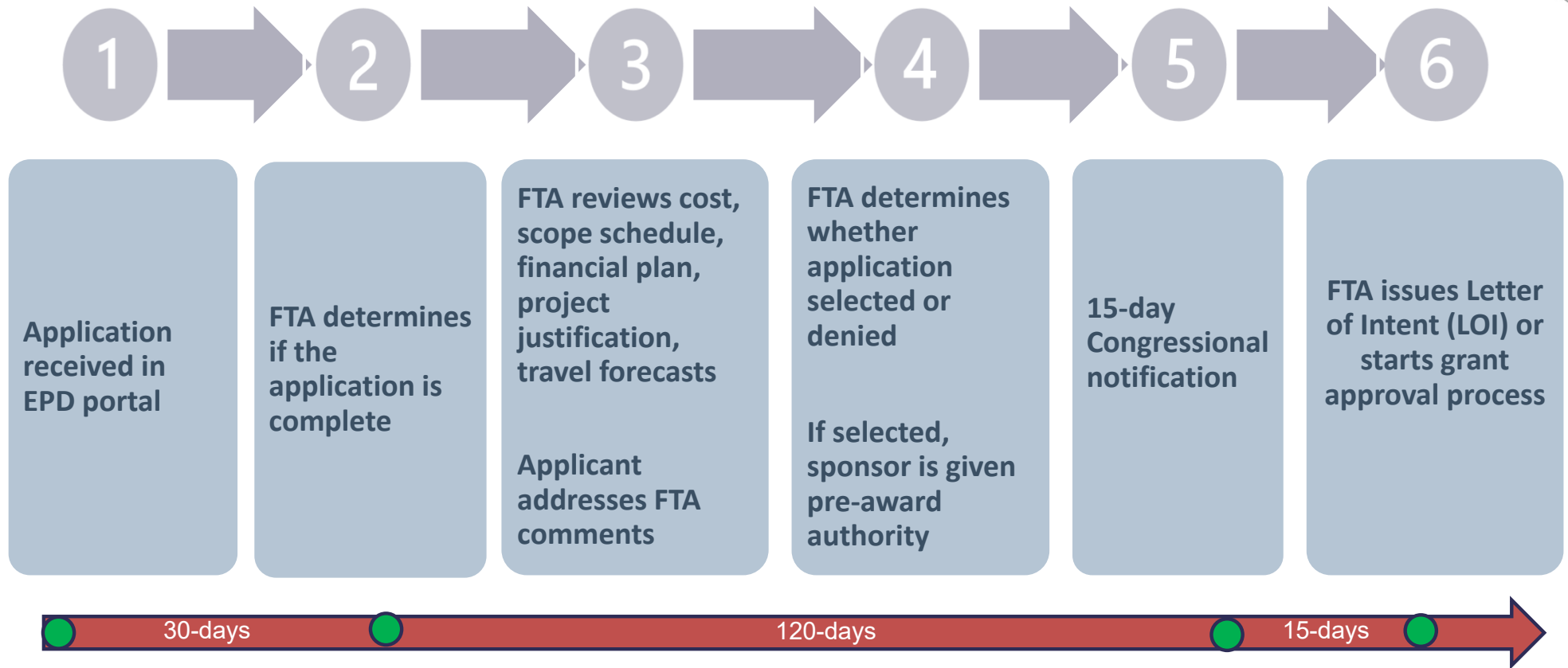
- Specifies the intention to award a specific amount of EPD funding if project sponsor completes the requirements outlined in the LOI
- Notifies the project sponsor it has two years to fulfill the requirements in the LOI
- Requires a 15-day Congressional notice prior to issuance

## Grant Award

- Upon selection for a grant award or successful completion of requirements outlined in a LOI , FTA works with the project sponsor to advance the project to a grant agreement
- The project must meet the Federal grant award requirements
- Requires a 15-day Congressional notice prior to issuance



# EPD Pilot Program Application Review Process

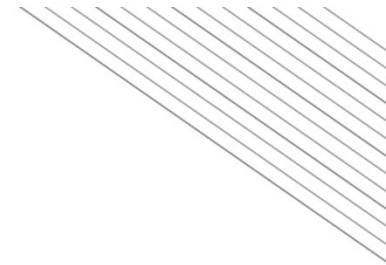




# EPD Pilot Program Useful Weblinks

- EPD Pilot Program  
<https://www.transit.dot.gov/funding/grants/grant-programs/expedited-project-delivery-pilot-program-section-3005b>
- EPD Notice of Funding Opportunity (NOFO)  
<https://www.govinfo.gov/content/pkg/FR-2020-07-28/pdf/2020-16342.pdf>
- EPD Application Portal  
<http://ftanet.ad.dot.gov/EPDAdmin/>





# CIG PROCESS



# CLG Overview

- Funds heavy rail, light rail, streetcars, bus rapid transit and other fixed guideway modes.
- Eligible grant recipients are state and local governments.
- Three types of eligible projects – New Starts, Small Starts, and Core Capacity
- Projects must complete a multi-year, multi-step planning & design process
- Successful 46 year old program with more than 178 projects completed
- Next few slides will go a bit more in depth on project eligibility, steps in the process, and reaching a construction grant award



# Types of Eligible CIG Projects

## New Starts

Fixed guideway projects

> **\$400 M** in total cost or  
that are seeking **≥\$150 M**  
in CIG funds

CIG max share = 60%

## Small Starts

Fixed guideway or corridor-  
based BRT projects

< **\$400 M** in total cost and  
that are seeking **<\$150 M**  
in CIG funds

CIG max share = 80%

## Core Capacity

Project expands capacity  
by  $\geq 10\%$  in an existing  
fixed guideway corridor  
that is at capacity today or  
will be in **ten years without  
regard to temporary  
measures taken by sponsor**

CIG max share = 80%



# CIG Program – BRT Eligibility

## Fixed Guideway BRT (New Starts or Small Starts)

Majority operates in a separate ROW dedicated for public transportation during peak periods

Represents a substantial investment in a defined corridor as demonstrated by features that emulate rail including:

- defined stations
- traffic signal priority
- short headway bidirectional services for a substantial part of weekdays and weekends
- any other features the Secretary may determine

## Corridor Based BRT (Small Starts only)

Represents a substantial investment in a defined corridor as demonstrated by features that emulate rail including:

- defined stations
- traffic signal priority
- short headway bidirectional services for a substantial part of weekdays
- any other features the Secretary may determine

# Core Capacity Eligibility

In addition to the corridor being at capacity today or will be in 10 years, the project:

- Must be a corridor-based investment (not system-wide improvements)
- Cannot include State of Good Repair elements
- Cannot include improvements to general station facilities, parking, or acquisition of rolling stock alone



# Joint Intercity Rail & Public Transportation Projects

- Eligible as New Starts, Core Capacity or Small Starts projects
- Only the public transportation component is eligible for CIG funding
  - Determined based on “project use of the new segment or expanded capacity of the project corridor, not including project elements designed to achieve or maintain a state of good repair”
- CIG evaluation and rating
  - Based on New Starts, Core Capacity, or Small Starts criteria as applicable
  - Ratings based on public transportation component only although the CIG share rating is to be calculated based on the percentage of the total joint project cost



# Bundles of CIG Projects – new in BIL

## More than one CIG project being pursued by the same project sponsor

- Immediate Bundle – requesting entry into PD for multiple CIG projects at same time
- Future Bundle -- projects enter PD within 5 years of the initial project entering PD

## Common requirements in law for both types of bundles

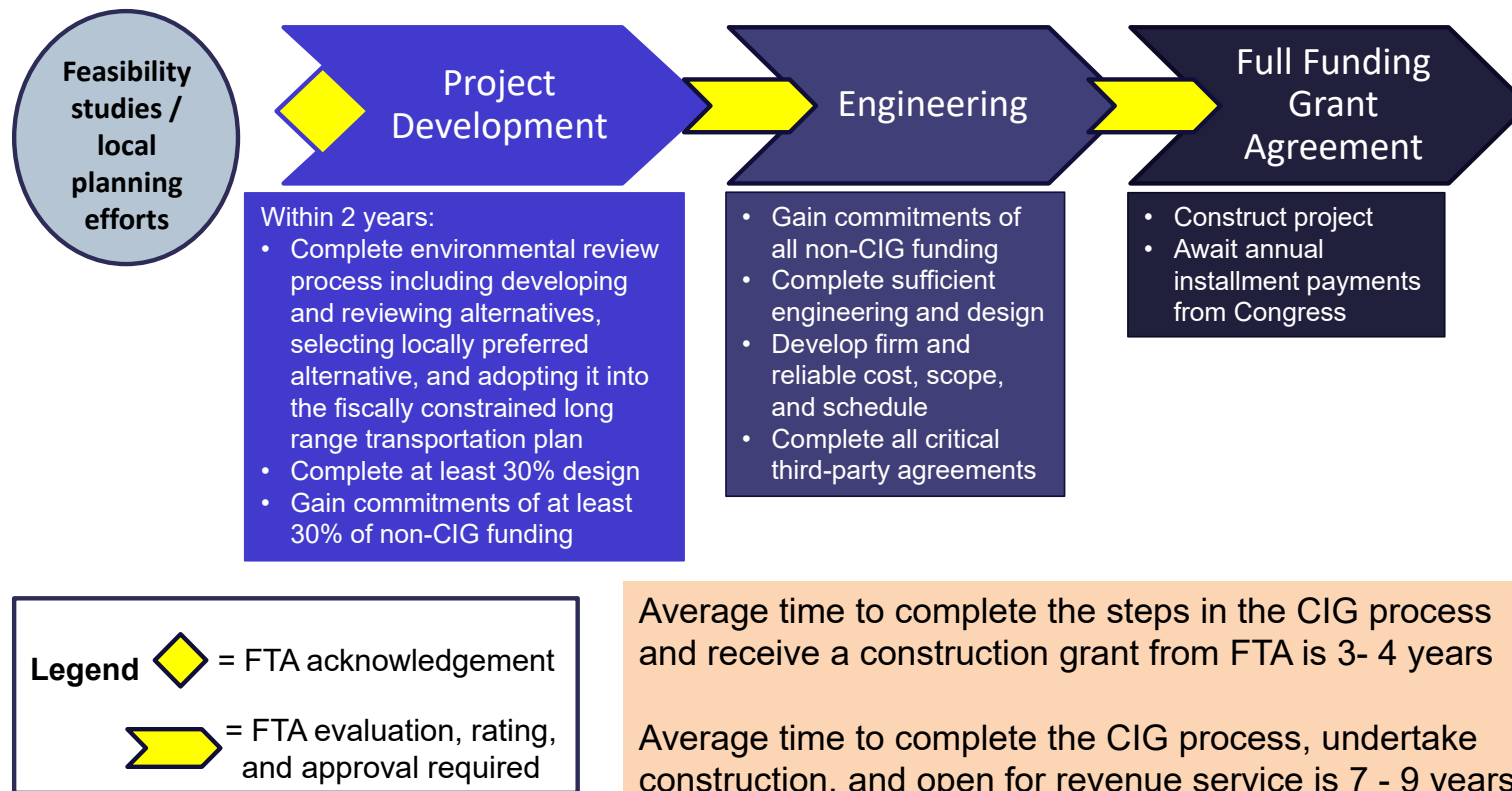
- All projects must be included in the fiscally constrained metropolitan transportation plan
- Sponsor must provide project cost and CIG share information for all projects in bundle
- The bundle —
  - (i) shall enhance, or increase the capacity of—
    - (I) the total transportation system of the applicant; or
    - (II) the transportation system of the region the applicant serves (which, in the case of a State whose request addresses a single region, means that region); and
  - (ii) shall—
    - (I) streamline procurements for the applicant; or
    - (II) enable time or cost savings for the projects.





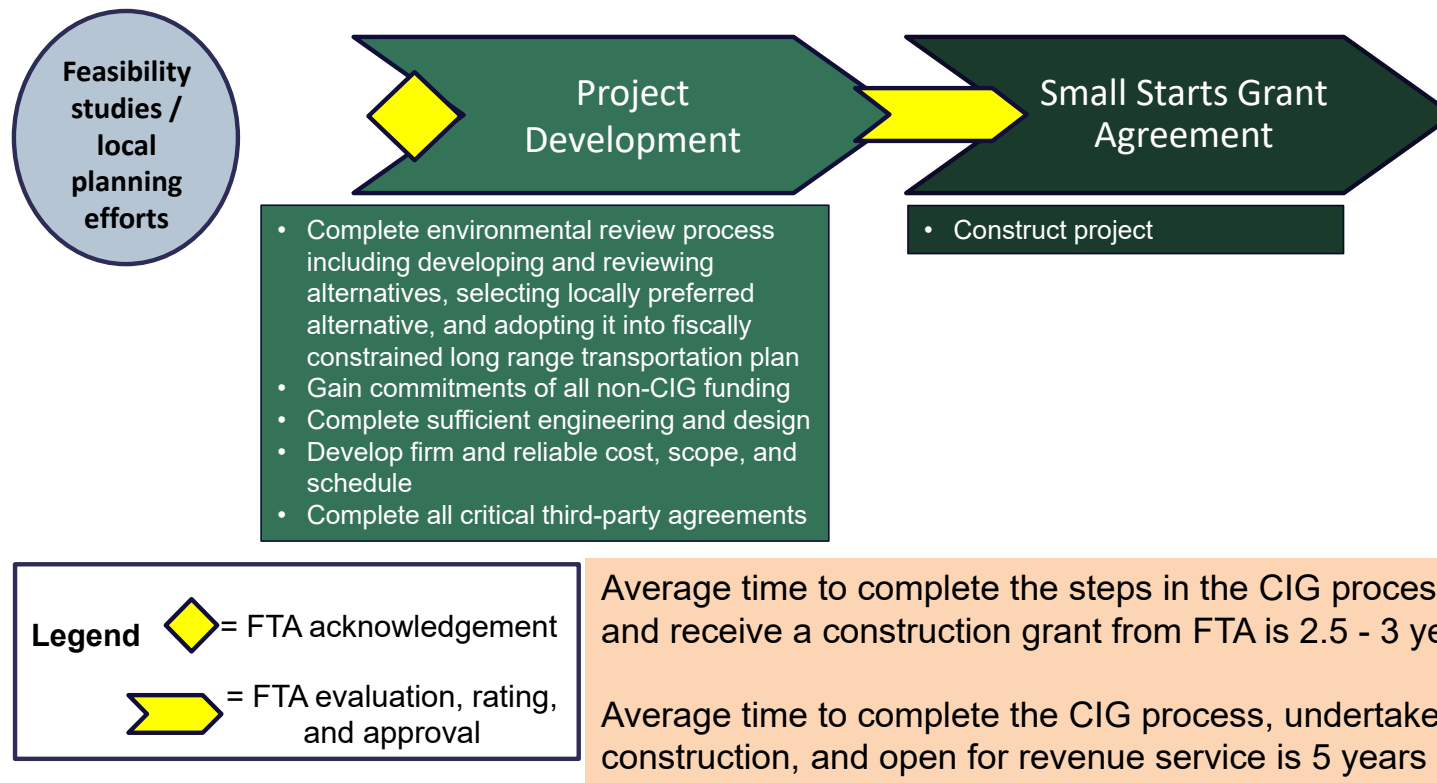
# Statutory Multi-Year, Multi-Step CIG Process

## New Starts and Core Capacity Process



# Statutory Multi-Year, Multi-Step CIG Process

## Small Starts Process

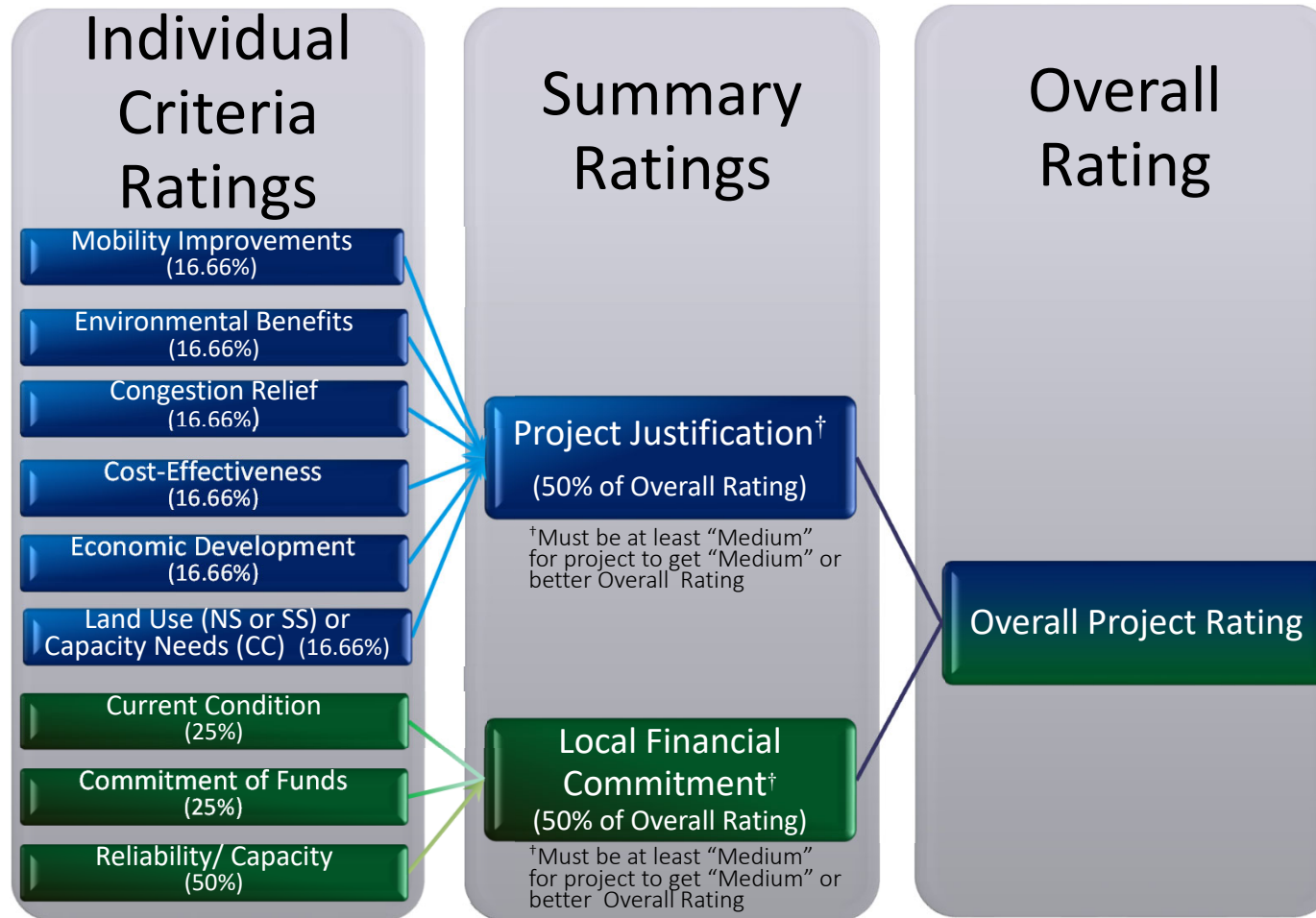


# Statutory CI&G Ratings Framework



- Must get at least “Medium” to advance
- Ratings used to:
  - Approve or deny advancement into Engineering
  - Approve or deny projects for construction grants
  - Support annual funding recommendations to Congress

## Statutory CIG Project Evaluation and Rating Framework



# Pre-Award Authority for CIG

Pre-award authority enables sponsors to preserve eligibility for reimbursement of costs incurred prior to receiving a CIG construction grant

Annual Apportionments  
Notice contains information  
on when automatic pre-award  
authority is given

Most recent notice:

*Federal Register*, Vol. 87, No. 82

(April 28, 2022)

Activity	Point when automatic pre-award authority is extended for CIG Program		
	Entry into PD	Completion of NEPA	Entry into Eng
Project Development	✓		
ROW acquisition		✓	
Utility relocation		✓	
Procurement of vehicles		SS*	NS/CC
Engineering			✓
Demolition, procurement of long-lead items, other non-construction activities			✓

\*Small Starts must be rated to obtain pre-award authority for vehicles



# CIG Letter of No Prejudice

- Letters of No Prejudice (LONPs) are needed for items not otherwise covered by pre-award authority
- Annual apportionments notice explains when LONPs are needed and what the sponsor should submit with a request for an LONP
- NEPA must be completed before requesting a LONP
- LONP allows project sponsor to use non-Federal funds while maintaining eligibility for future possible reimbursement
- Receipt of Federal funding not implied or guaranteed
- LONPs considered by FTA on case-by-case basis

# CIG Construction Grant Agreement Requirements

- ✓ Completed the steps in law
- ✓ Obtained at least Medium rating
- ✓ All non-CIG funding committed including USDOT loans
- ✓ Critical 3<sup>rd</sup> party agreements signed (e.g., utility, railroad)
- ✓ Demonstrated progress toward meeting Transit Asset Management targets (new requirement in BIL)
- ✓ FTA readiness requirements met
  - ✓ Reliable cost, scope, and schedule
  - ✓ Technical capacity to deliver project



# CIIG Construction Grant Agreement

- Awarded at the end of the process
- Key terms of the contract:
  - Project Cost Estimate
  - Project Scope
  - Revenue Service Date
  - Maximum CIIG contribution
  - Commitment by project sponsor to provide service for at least 5 years after opening at the service frequencies used to develop the projected benefits
  - CIIG payout schedule if multi-year grant (annual funding subject to Congressional appropriations)





## Before and After Studies – **changed in BIL**

- Required for all CIG New Starts and Core Capacity Projects and EPD projects as a condition of the FFGA
- Sponsors are responsible for developing the plans and collecting the data on costs and ridership before FFGA and 2 years after service opens
- **Changes in BIL**
  - Now called "Information Collection and Analysis Plans"
  - FTA no longer reports on those studies to Congress annually. Instead, the GAO, as part of its biennial review of the CIG program, reports to Congress.

# Considerations When Planning Projects

## Scale project to demand

## Project management arrangements/project sponsor

- Transit technical expertise is needed to meet CIG requirements
- Existing FTA grantee or new FTA grantee

## Realistic project schedule and cost estimate

## Stable and reliable funding/financing

- Capital & operating sources, capacity to handle unexpected funding shortfalls or cost overruns
- Challenges when using multiple USDOT funding sources with differing requirements

## Critical Third-Party Agreements

- Allow adequate time for negotiation/completion

## Procurements

- Supply chain/time for delivery
- Meeting Buy America requirements

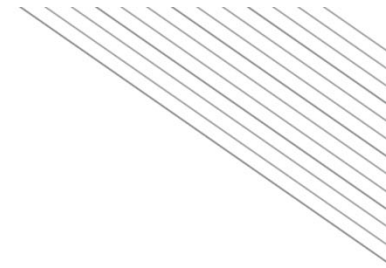


# FTA Website – CIG Resources

Extensive materials on FTA website at <https://www.transit.dot.gov/CIG>

- Recorded webinars
- CIG regulation, policy guidance, reporting instructions, templates, etc.
- Guidance on Transit Financial Plans
- Guidance on how FTA conducts financial, land use, and economic development reviews
- Travel Forecasting information
- Before and After Studies
- Project information/CIG Dashboard





# FTA OVERSIGHT OF MAJOR CAPITAL PROJECTS



# Topics

- Project Management Oversight
- Statute and Regulation
- Oversight Approach
- Risk Assessments
- Transit Construction Workshop



# Project Management Oversight

## **Mission**

FTA protects federal investments in transit infrastructure by providing effective and risk-based oversight of the Project Sponsor's delivery of Major Capital Projects and other significant capital projects.

## **Goal**

Projects provide their promised benefits, are safe and can be properly maintained, and are delivered on time, within budget and in compliance with all applicable Federal requirements.



# Major Focus Areas of FTA's Project Management Oversight

- Project sponsor's capacity and capability
- Project Management Plan
- Completeness and reasonableness of scope
- Reasonableness of project cost and schedule
- Readiness Reviews
- Monitoring of project performance and providing recommendations for resolution of issues
- Buy America compliance
- Americans with Disabilities Act compliance
- Uniform Relocation Assistance and Real Property Acquisition Policies Act compliance



# What Is NOT FTA's Project Management Oversight Responsibility

- Selecting or approving the design and construction
- Selecting or approving the means, methods and sequences of executing the project
- Selecting or accepting any project facilities, equipment, rolling stock etc.



# PMO Statute and Regulation

## Project Management Oversight (PMO)

- 49 U.S.C. Section 5327
  - Specifies Project Management Plan (PMP) requirements and approval
- Codified in 49 CFR 633. Published 10/23/2020
- The PMO Rule applies to a recipient of Federal financial assistance undertaking a major capital project per the definition in 49 CFR 633



## 49 CFR Part 633

# Definition of Major Capital Project

1. Involves the construction, expansion, rehabilitation, or modernization of a fixed guideway that
  - i. Has a total project cost of \$300 million or more **and** receives Federal funds of \$100 million or more; and
  - ii. Is not exclusively for the acquisition, maintenance, or rehabilitation of vehicles or other rolling stock; or
2. The Administrator determines to be a major capital project because project management oversight under this part will benefit the Federal government or the recipient, and the project is not exclusively for the acquisition, maintenance, or rehabilitation of rolling stock or other vehicles. Typically, this means a project that:
  - i. Involves new technology;
  - ii. Is of a unique nature for the recipient; or
  - iii. Involves a recipient whose past record indicates the appropriateness of extending project management oversight under this part.

## Applicability to Capital Investment Grant Program

Projects seeking CIG funding that do not meet major capital project definition are still subject to reviews to inform FTA's investment decision

- For example, FTA may conduct Project Management Plan, cost, schedule, scope and risk reviews prior to grant award

# Project Management Oversight Contractors

- PMO Program started in 1986 due to a Congressional Mandate
- Under this provision, Project Management Oversight contractors (PMOCs) augment FTA's limited staff in providing project management oversight
- Oversight is conducted using Oversight Procedures (OPs) developed by FTA
- Contractors are selected for 5-year indefinite delivery/indefinite quantity contracts to provide the skills needed
- Current contract was awarded in 2019 to 19 contractors (4 new)



# Project Management Plan

49 U.S.C. § 5327(a) / 49 CFR 633.21

- Required for all Major Capital Projects
- FTA has approval authority

Sub-Plans (include but not limited to):

- Risk and Contingency Management Plan
- Change control procedures
- Quality Assurance/Quality Control Plans
- Safety and Security Management Plan
- Real Estate Acquisition Management Plan
- Startup and Certification Plan (testing, maintenance & operations plan, training, emergency response etc.)



# Oversight Approach for New Starts (NS) and Core Capacity (CC) Projects



## Major Reviews

- Management capacity and capability
- Project management plan and subplan
- Cost, scope, schedule and risk
- Readiness to enter Engineering
- Other reviews as needed

## Refresh reviews

- Management capacity and capability
- Project management plan and subplans
- Cost, scope, schedule and risk
- Readiness to enter Grant Agreement
- Other reviews as needed

- Quarterly (*or more frequent*) recurring reviews
- Readiness to enter Revenue Service
- Other reviews as needed



## Oversight During Project Development (NS/CC)

- Oversight Plan developed after LPA identified
- Formal Oversight starts at least 6 months prior to entry into Engineering
- Major Reviews
  - i. Management Capacity and Capability
  - ii. Project Management Plan (PMP) & Sub-plans
  - iii. Cost, Scope, Schedule and Risk
- Readiness to Enter Engineering

\*Other reviews may apply



## Oversight During Engineering (NS/CC)

- Refresh of Major Reviews (as necessary)
  - i. Management Capacity and Capability
  - ii. Project Management Plan & Sub-plans
  - iii. Cost, Scope, Schedule and Risk
- Recurring Reviews
- Readiness to Execute FFGA

\*Other reviews may apply



## Oversight Post Grant/During Construction (NS/CC)

- Law requires Quarterly oversight unless:
  - i. Failure to meet the requirements of Project Management Plan (PMP), or
  - ii. At risk of going over budget or becoming behind schedule
- PMP Refresh, if necessary
- Management Capacity and Capability Refresh, if necessary
- Risk Refresh or Recovery Plans, if necessary
- Readiness to Enter Revenue Service

\*Other reviews may apply

## Oversight During Project Development (Small Starts)

- Oversight Plan developed after LPA identified
- Formal Oversight starts at least 6 months prior to receiving a Grant Agreement
- Major Reviews
  - i. Cost, Scope, Schedule and Risk
- Readiness to Execute SSGA

\*Other reviews may apply

## Oversight Post Grant/During Construction (SS)

- Generally, no oversight post grant agreement unless designated as a Major Capital Project by the Administrator

\*Other reviews may apply

# Risk Assessments

## New Starts & Core Capacity Projects

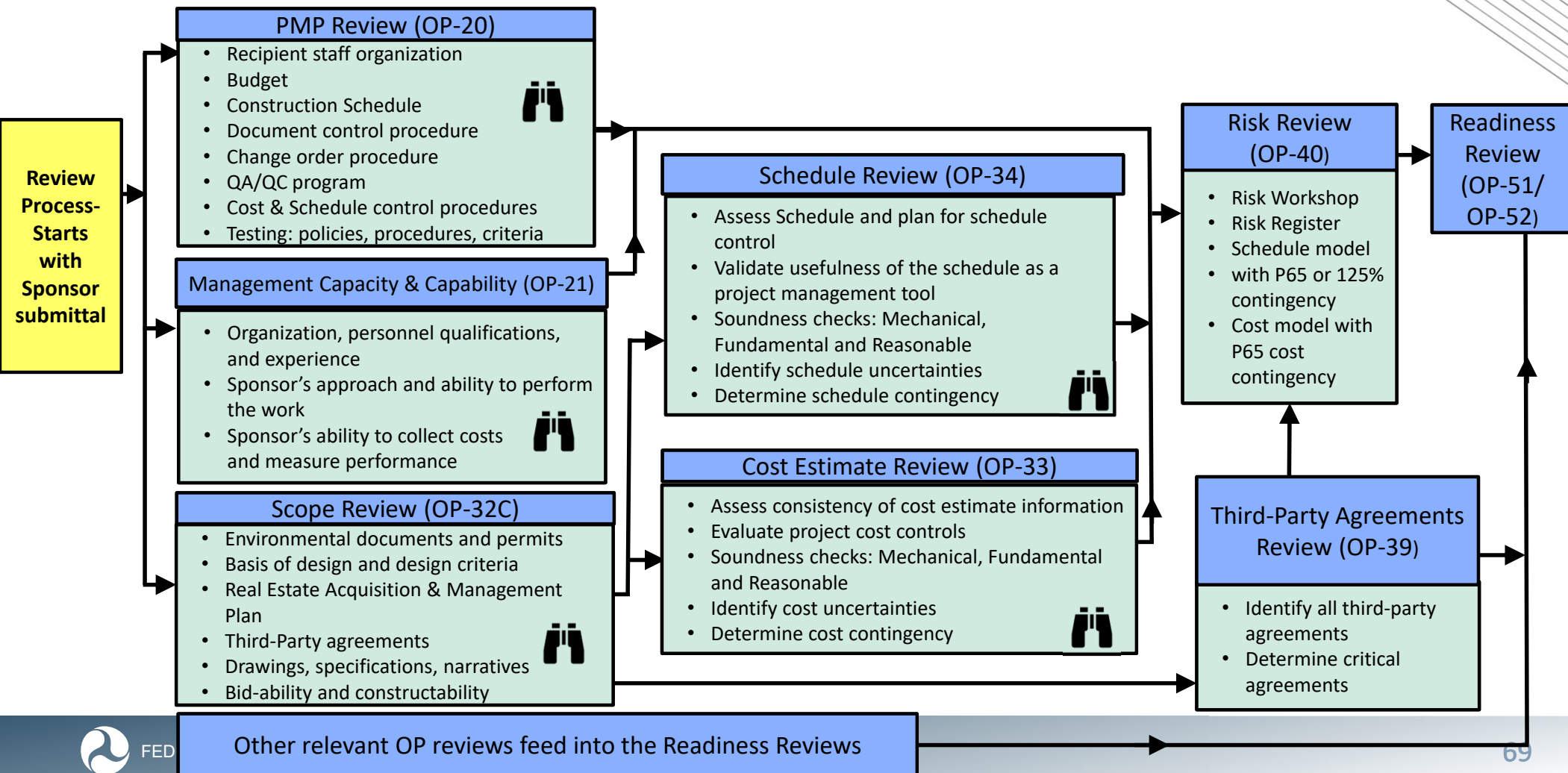
- Conducted prior to Entry into Engineering
- Risk Refresh conducted prior to Construction Grant Agreement

## Small Starts Projects

- Conducted prior to receiving a Small Starts Grant Agreement



# FTA Project Management Oversight Review Process



## Some Key Criteria for Grant Approval

- Project budget must at least be at 65<sup>th</sup> percentile level
- Project schedule must be at least at the 65<sup>th</sup> percentile level or have 25 percent contingency (whichever is higher)
- Demonstrated capacity and capability (experienced team)
- Comprehensive and workable project management plan
- Execution of all critical third party agreements

# CIG Training/Resources Available

- PMOC Oversight Procedures
- Guidance on developing cost estimates and Capital Cost Database
- PMOC Lessons Learned
- Utility Relocation Whitepaper
- FTA Guidelines on Project and Construction Management and Quality Management
- NTI Courses
- Transit Construction and Real Estate Workshops



# FTA Mission, Vision, Values

## MISSION

Improve America's Communities  
through Public Transportation



## VISION

A Better Quality of Life for All Built  
on Public Transportation Excellence



## VALUES



### SERVICE

Provide reliable, transparent, responsive, and anticipatory services to meet stakeholder needs

### INTEGRITY

Commitment to the highest professional and ethical standards

### INNOVATION

Foster new ideas, concepts, and solutions for improved outcomes

### SUSTAINABILITY

Optimize decisions, resources, and systems to make long-term positive impacts on the environment, infrastructure, and safety

### EQUITY

Remove barriers for systemically underserved communities to access all aspects of economic, social, and civic life

