

IndyGo Blue Line Rapid Transit
Indianapolis, Indiana
Small Starts Project Development
(Rating Assigned November 2019)

Summary Description	
Proposed Project:	Bus Rapid Transit 24.0 Miles, 36 Stations
Total Capital Cost (\$YOE):	\$220.00 Million <small>(Includes \$10.3 million in finance charges)</small>
Section 5309 CIG Share (\$YOE):	\$100.00 Million (45.5%)
Annual Operating Cost (opening year 2025):	\$11.11 Million
Current Year Ridership Forecast (2016):	9,500 Daily Linked Trips 2,829,500 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	10,000 Daily Linked Trips 2,981,800 Annual Linked Trips
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	High

Project Description: The Indianapolis Public Transportation Corporation (IndyGo) proposes to implement an east-west bus rapid transit (BRT) line primarily along Washington Street between the Indianapolis International Airport, downtown Indianapolis, and Cumberland. The project includes the construction of 18 miles of dedicated transit lanes, as well as the purchase of 20 60-foot electric battery-powered buses. The project also serves the existing Julia M. Carson Transit Center, IndyGo’s main transfer point in downtown Indianapolis. The service is planned to operate 20 hours per weekday, with buses every 10 minutes during daytime hours and every 20 minutes during evenings. Weekend service is planned to operate 18 hours per day, with buses every 15 to 20 minutes.

Project Purpose: The Washington Street corridor is one of the main east-west travel routes in Marion County. The corridor encompasses some of the region’s largest trip generators, including downtown Indianapolis, the international airport, the Indianapolis Zoo and a regional shopping center, as well as several planned redevelopment areas and a population with a higher poverty rate than Indianapolis as a whole. IndyGo’s busiest bus route currently serves the corridor with 15-minute frequency service daily over most of the route. The project is anticipated to reduce transit travel times in the corridor by up to 38 percent, support redevelopment efforts, and provide improved service levels to the high concentrations of low-income and zero-car households.

Project Development History, Status and Next Steps: IndyGo initially selected a locally preferred alternative (LPA) for the project in December 2013. The project entered Small Starts Project Development in April 2018. IndyGo then selected a refined LPA that was adopted into the region’s fiscally constrained long range transportation plan in October 2018. IndyGo anticipates completing the environmental review process with a documented Categorical Exclusion from FTA in April 2021, receipt of a Small Starts Grant Agreement in late 2022, and the start of revenue service in April 2025.

Significant Changes Since Last Evaluation (November 2018): The total project cost changed from \$200.00 million to \$220.00 million while the CIG requested amount remained the same at \$100.00 million (reduced from 50 percent to 45.5 percent due to the increase in the total project cost). The cost increase is due to project schedule changes, added finance charge and local market condition. The revenue service date changed from late 2022 to April 2025 due to IndyGo's plan to complete construction of another major transit project prior to this one.

Locally Proposed Financial Plan		
<u>Source of Funds</u>	<u>Total Funds</u> <u>(\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 Small Starts	\$100.00	45.5%
Section 5339 Bus and Bus Facilities Program	\$8.45	3.8%
Section 5307 Urbanized Area Formula Program	\$6.05	2.8%
Local:		
IndyGo Income Tax Revenues and Bonds	\$89.80	40.8%
Metropolitan Development Commission Airport Tax Increment Financing District Revenues	\$12.50	5.7%
Indianapolis Department of Public Works General Funds	\$1.20	0.5%
Other:		
Indianapolis Neighborhood Housing Partnership Cash Contribution	\$2.00	0.9%
Total:	\$220.00	100.0%

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

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LAND USE RATING: *Medium*

The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding county.

- The population density in station areas is 2,900 persons per square mile, which corresponds to a Medium-Low rating according to FTA benchmarks. The project would serve 120,000 jobs, which corresponds to a Medium rating. The average daily parking cost in the central business district (CBD) exceeds \$16, corresponding to a High rating. The ratio of station area to county LBAR housing is 1.11, corresponding to a Medium-Low rating. The rating for this subfactor increases to a Medium because over five percent of housing units in the county through which the project travels are LBAR.
- Businesses line most of Washington Street, but many of these are suburban in character, with large setbacks and parking lots. The airport portion of the corridor is primarily industrial. The most transit-supportive development patterns are in downtown Indianapolis, which contains large employment and civic uses, and parts of the near west and historic east portions of the corridor that have medium-density commercial and residential development.
- Most station areas have sidewalks, but outside of the CBD, the corridor has high traffic speeds and limited pedestrian crossings.

ECONOMIC DEVELOPMENT RATING: *Medium-Low*

Transit-Supportive Plans and Policies: *Medium*

- *Transit-Supportive Corridor Policies:* Conceptual plans, namely the draft updated Indianapolis-Marion County land use plan and IndyGo's *Blue Line Transit-Oriented Development Strategic Plan*, call for redevelopment at higher densities in station areas. These plans also support development with a mixed-use, transit- and pedestrian-friendly character in station areas, as do a handful of neighborhood plans completed over the last several years for portions of the corridor.
- *Supportive Zoning Regulations Near Transit Stations:* Current zoning promotes transit-supportive densities and features in downtown Indianapolis, but generally not elsewhere. Indianapolis's new zoning ordinance includes higher-density, mixed-use districts with design requirements such as maximum setback requirements and minimum lot coverage. IndyGo received an FTA grant to support updating Indianapolis' zoning ordinance for the Blue Line corridor.
- *Tools to Implement Land Use Policies:* The development process for the county's comprehensive plan update included significant public and developer outreach. Outside of a tax increment financing district near the airport, there are limited regulatory and financial incentives to promote transit-supportive development in the corridor. IndyGo and local partners are beginning to investigate joint development opportunities.

Performance and Impacts of Policies: *Medium-Low*

- *Performance of Land Use Policies:* There are a few proposals for redevelopment of large, vacant sites, particularly on East Washington Street. There is limited information demonstrating whether these developments will have transit-oriented character aside from being mixed use.
- *Potential Impact of Transit Investment on Regional Land Use:* There is a significant amount of vacant property for redevelopment along the corridor. However, the process of revising the current zoning to foster higher-density development is just getting underway. The potential for transit-oriented development in the corridor, based on market dynamics and current development patterns, is high in downtown Indianapolis and relatively moderate in the rest of the corridor.

Tools to Maintain or Increase Share of Affordable Housing: *Medium-Low*

- Plans, policies and financing tools (outside of standard Federal funding programs) to preserve and increase affordable housing in the corridor are limited, though Indianapolis has a trust fund for affordable housing and a local nonprofit is establishing a transit-oriented affordable housing fund. There is some evidence to suggest that Federal housing funds are being focused near the corridor. A few developments with affordable housing were recently completed or are underway in the corridor.

IndyGo Blue Line Rapid Transit

Marion County

City of Indianapolis, IN

