

MD 355 Central Flash Bus Rapid Transit
Montgomery County, Maryland
New Starts Project Development
(Rating Assigned November 2025)

Summary Description	
Proposed Project:	Bus Rapid Transit 15.6 Miles, 14 Stations
Total Capital Cost (\$YOE):	\$ 499.04 Million
Section 5309 CIG Share (\$YOE):	\$ 246.52 Million (49.4%)
Annual Operating Cost (opening year 2031):	\$ 21.95 Million
Existing Corridor Ridership Forecast (Warranted):	14,300 Daily Linked Trips
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium-High

Project Description: The Montgomery County Department of Transportation (MCDOT) proposes to implement a bus rapid transit (BRT) line along MD 355 between the Cities of Rockville and Germantown. The project includes 9.5 miles of dedicated bus lanes, transit signal priority at major intersections, ADA-compliant and level boarding, high-efficiency fare payment, real-time information at stations, and hydrogen fuel cell articulated buses. Service is planned to operate every 7.5 to 15 minutes during peak periods (with a 4-minute headway between Shady Grove Metro and Odendahl Avenue) and every 15 minutes off-peak (with a 5-minute headway on the Shady Grove–Odendahl segment), including 15 minutes off-peak and on weekends. Service would operate seven days a week from 5:30 am to 1:00 am.

Project Purpose: MCDOT seeks to accommodate the anticipated large population and employment growth along the corridor and to complement and improve the existing transit network by delivering a fast, reliable, and frequent transit service. The Project would provide residents with better access to businesses, services, recreational, and employment opportunities.

Project Development History, Status and Next Steps: MCDOT selected a locally preferred alternative (LPA) in March 2022, and the LPA was adopted into the fiscally constrained long-range transportation plan in March 2024. The Project entered New Starts Project Development in October 2024. MCDOT anticipates completing the environmental review process in March 2026, entering New Starts Engineering in Fall 2026, receiving a Full Funding Grant Agreement in early 2028, and beginning revenue service in 2031.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal: Section 5309 CIG	\$246.52	49.4%
State: Maryland State BRT Funds House Bill 352	\$166.48	33.4%
Maryland State Aid Senate Bill 291 Capital Project Funds	\$49.63	9.9%
Local: Future Financing (Unidentified)	\$29.31	5.9%
Montgomery County MD GO Bonds	\$5.29	1.1%
Montgomery County Special Transit Facilities (Property)Tax	\$1.80	0.4%
Total:	\$499.04	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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Factor	Rating	Comments
Local Financial Commitment Rating	Medium-High	
Non-Section 5309 CIG Share	+1 level	<ul style="list-style-type: none"> The CIG share of the overall project is 49.4 percent.
Summary Financial Plan Rating	Medium	
Current Capital and Operating Condition (25% of local financial commitment rating)	Medium-High	<ul style="list-style-type: none"> The average age of the bus fleet is 7.3 years, which is in line with the industry average. The most recent bond ratings for Montgomery County, issued in September 2024, are as follows: Moody's Investors Service, Aaa, Fitch's, AAA, and Standard & Poor's Corporation, AAA. Montgomery County's current ratio of assets to liabilities as reported in its most recent audited financial statement is 5.2 (FY 2024). There were no cash flow shortfalls in recent years.
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	High	<ul style="list-style-type: none"> Approximately 86percent of the non-Section 5309 CIG capital funds are committed or budgeted, and the rest are considered planned or unspecified. Sources of funds include State of Maryland funds (State Aid, dedicated State BRT Funds), the existing Montgomery County Mass Transit Tax (levied on real and personal property), and proceeds from County-issued General Obligation bonds. All of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted. Sources of funds include State of Maryland Aid (for transportation capital projects programmed for Montgomery County by the State General Assembly), existing county Mass Transit Tax revenues, and other revenues from advertising services, fines, and license fees.
Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Medium-Low	<ul style="list-style-type: none"> Assumed growth in capital revenues is reasonable compared to recent historical experience. The capital cost estimate is reasonable. Regarding growth in operating revenue assumptions, forecasted Federal Grants, State Aid, Mass Transit Tax revenues and Other Advertising, Taxes and Fees are reasonable compared to recent historical experience. Operating cost estimates are optimistic compared to recent historical experience. Montgomery County has access to funds via additional debt capacity, cash reserves, or other committed funds to cover unexpected cost increases or funding shortfalls equal to at least 30.0 percent of the estimated CIG capital cost and 30.0 percent of annual system wide operating expenses (3.6 months).

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ECONOMIC DEVELOPMENT RATING: Medium

Supportive Zoning in Station Areas: Medium

- Local jurisdictions have adopted zoning that moderately or strongly supports a major transit investment in most or all project station areas. Design standards and requirements aim to be pedestrian and transit oriented within station areas. Parking minimums are higher than is considered transit-supportive.

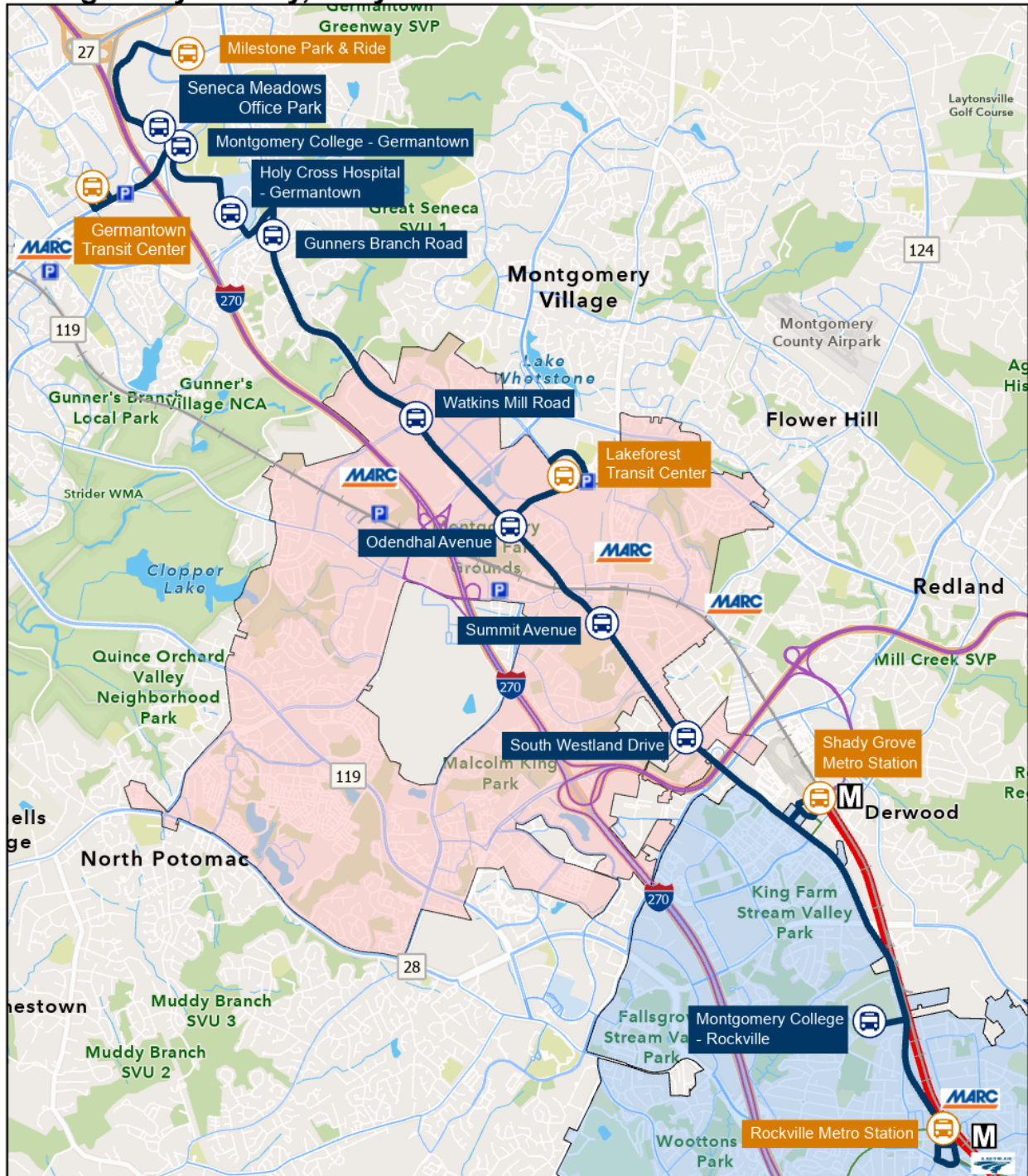
Performance and Impacts of Transit-Supportive Plans and Policies: Medium

- *Growth Management:* Plans and policies support concentrating growth in activity centers. Robust tools exist for furthering this objective, such as transfer of development rights and priority funding area programs to preserve agricultural areas and direct development and infrastructure funding to activity centers.
- *Transit-Supportive Corridor Policies:* There is a range of plans and policies aimed at increasing density, enhancing the transit-friendly character, improving pedestrian facilities, and adjusting parking policies in station areas. There are conceptual plans that encourage development and transit-supportive design, but they are not explicitly strongly connected to supportive densities and the plans vary across the station areas.
- *Tools to Implement Land Use Policies:* Project leads are engaging public and development stakeholders to discuss the potential of the corridor as well as the BRT project itself. Advisory councils and committees provide consistent proactive feedback. Regulatory and financial tools seem to be limited.
- *Performance of Land Use Policies:* The station areas have had more than 2,400 housing units, 370 moderately priced dwelling units, and 450,000 sf of commercial space (either mixed-use, high-density multi-family, townhomes, office/lab, or retail) developed since 2018. The developments were supported and encouraged by updated community master plans, newly adopted mixed use zoning codes, and design guidelines.
- *Potential Impact of Transit Investment on Regional Land Use:* There is land adjacent or within station areas that is underutilized or vacant that can potentially be redeveloped. Station area population growth is outpacing that of the county.

Tools to Maintain or Increase Share of Affordable Housing in Station Areas: Medium-High

- Station areas have a legally binding affordability restricted to total housing ratio of 12.63 % as compared to a 4.73 % ratio county-wide.
- There are many tools to encourage and preserve affordable housing including reduced impact fees, grants for rehabilitation, and several bonds worth over \$50 million for affordable housing production.
- There is evidence of developers building a considerable amount of affordable housing along the corridor. There are plans to finish a 1,140 multifamily unit housing with 285 units below market rate.

MD 355 Flash BRT Montgomery County, Maryland



Legend

	MD 355 BRT Station		Park and Ride Lot		MARC - Brunswick Line
	MD 355 BRT Station at Transfer Facility		Amtrak Station		WMATA Metro Bus Route
	MD 355 BRT Project Alignment		MARC Station		City of Gaithersburg
	Metro		MTA Commuter Bus		City of Rockville
			Metro Line		Ride-On Route

