

Annual Report on Funding Recommendations

Fiscal Year 2004

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Report of the Secretary of Transportation
to the United States Congress
Pursuant to 49 U.S.C. 5309(o)(1)

2003

Prepared by:
Federal Transit Administration

Available from:
Federal Transit Administration
Office of Policy Development, TBP-10
400 7th Street, SW, Room 9310
Washington, DC 20590

<http://www.fta.dot.gov>

Foreword

This report is submitted by the Secretary of Transportation to the United States Congress, pursuant to Title 49, United States Code, Section 5309(o)(1), which requires the Secretary of Transportation to submit to the Committee on Transportation and Infrastructure of the U.S. House of Representatives and the Committee on Banking, Housing and Urban Affairs of the U.S. Senate, a report that includes a proposal on the allocation of amounts to be made available to finance grants and loans for capital projects for new fixed guideway systems and extensions to existing fixed guideway systems ("New Starts") among applicants for those amounts. In addition, the report is also formally submitted to the Appropriations Committees of both the House and the Senate. It is also provided to transit operators, metropolitan planning organizations (MPOs), and State departments of transportation, and is made available to the public at large.

The report is a companion document to the President's annual budget request to Congress. It details the Administration's recommendations for allocating New Starts capital investment funding for Federal Fiscal Year 2004.

The report is organized into two sections: the main body of the report, which details the specific funding recommendations by project and provides background information on both the projects and the Federal Transit Administration (FTA) program and processes; and a series of appendices that provide more detailed information on each proposed project. Appendix A includes those proposed projects in Preliminary Engineering, Final Design, or construction, and includes a complete profile (with map, where available) for each project. Appendix B briefly describes each project that is currently in Alternatives Analysis.

Upon request, this report will be made available in alternative formats. It is also available via the Internet at the [FTA site](#) on the World Wide Web.

Introduction

This report provides the U.S. Department of Transportation's recommendations to Congress for allocation of funds to be made available under Title 49, United States Code, Section 5309 for construction of new fixed guideway systems and extensions (major capital investments or "New Starts") for Fiscal Year (FY) 2004, as required by Section 5309(o)(1). The Annual Report on New Starts is a collateral document to the President's annual budget submission to Congress. It is meant to be a constructive element in the administration of the Federal transit assistance program, enriching the information exchange between the Executive and Legislative branches at the beginning of an appropriations cycle for the next Fiscal Year.

The President's budget for FY 2004 proposes that \$1,514.92 million be made available for the Section 5309 major capital investment program. After setting aside one percent of these funds for oversight activities as proposed in the President's budget and approved in Public Law 107-87, providing funding for ferry capital projects in Alaska or Hawaii, and for projects currently in Final Design or Preliminary Engineering, \$1,368.28 million is available for project grants. This report recommends funding for 26 current, pending, or proposed projects in FY 2004. Of these, 19 have existing Federal funding commitments in the form of Full Funding Grant Agreements (FFGAs); funding commitments are pending for three; and four are expected to be ready for FFGAs before the end of FY 2004 (September 30, 2004). In addition to these projects, there are seven current FFGAs that will not require additional funding in FY 2004, if the FY 2003 Congressional appropriation provides the amount requested by the President for each project.

The funding recommendations contained in this report are the result of an extensive project development and evaluation process. To be eligible for New Starts funding, proposed projects must complete the appropriate steps in the planning and project development process, as described in Section 5303-5306 and Section 5309 of Title 49, United States Code, and receive a rating of "Recommended" or higher in the most recent Federal Transit Administration (FTA) evaluation. Each project recommended herein for a multi-year funding commitment has completed this process, has been reviewed and rated by FTA with respect to project justification and local funding commitment, has met or is expected to meet the criteria for receipt of a Federal funding commitment, and has either been awarded an FFGA or is a strong candidate for an FFGA in FY 2004.

Planning and Project Development Process

New Starts projects, like all transportation investments in metropolitan areas, must emerge from a regional, multimodal transportation planning process in order to be eligible for Federal funding. In addition, 49 U.S.C. Section 5309(e)(1) specifies that discretionary grants or loans for New Starts may be approved only if a proposed project is based on the results of Alternatives Analysis and Preliminary Engineering, and certain project justification and financial criteria have been met.

Federal financial support for the planning process may be derived from a number of sources, including the Section 5303 Metropolitan Planning Program, the Section 5313 State National Planning and Research Program, and planning programs administered by the Federal Highway Administration (FHWA). FTA Urbanized Area Formula funds under Section 5307 and flexible funds under the Surface Transportation Program (STP) and the Congestion Mitigation and Air Quality (CMAQ) Program may also be used to support certain planning activities. Given the significant demands placed on the New Starts program, FTA does not support the use of Section 5309 New Starts funds for initial planning activities. Moreover, Section 5309(m)(2) limits the amount of New Starts funding that can be used for purposes other than Final Design and construction to not more than eight percent of funds appropriated.

Alternatives Analysis

As part of the metropolitan planning process, local project sponsors must perform a corridor-level analysis of mode and alignment alternatives in corridors for which projects may be proposed for Section 5309 New Starts funding. This Alternatives Analysis provides information on the benefits, costs, and impacts of alternative strategies, leading to the selection of a Locally Preferred Alternative (LPA) to meet the community's mobility needs. Alternatives Analysis is regarded as a key planning tool to be undertaken within the multimodal metropolitan and statewide planning processes, supplemented by subsequent project development analyses, for determining appropriate solutions to transportation challenges.

The Alternatives Analysis evaluates several modal and alignment options for addressing mobility needs in a given corridor. It is intended to provide information to local officials on the benefits, costs, and impacts of alternative transportation investments. Potential local funding sources for implementing and operating each alternative are identified and studied, and information in response to the FTA New Starts project evaluation criteria is developed. Involvement of a wide range of stakeholders – including the general public – in the Alternatives Analysis phase is strongly encouraged. At local discretion, the Alternatives Analysis may include undertaking a Draft Environmental Impact Statement (DEIS) or Environmental Assessment (EA). Alternatives Analysis is considered complete when a Locally Preferred Alternative (LPA) is selected by local and regional decision-makers and adopted by the metropolitan planning organization (MPO) in its financially-constrained long range transportation plan.

Preliminary Engineering

Once Alternatives Analysis is complete, the local project sponsor may submit a request to the FTA regional office to initiate the Preliminary Engineering phase of project development. The request must provide information that demonstrates the readiness of the project to advance into Preliminary Engineering, including the adoption of the project into the long-range transportation

plan, the inclusion of the preliminary engineering activities in the Transportation Improvement Program (TIP), and information demonstrating the technical capability of project sponsors to undertake Preliminary Engineering. The request must also address the project justification and local financial commitment criteria outlined below (see Page 4). (This information is normally developed as part of an Alternatives Analysis.) FTA then evaluates the proposed project as required by Section 5309(e)(6), and determines whether or not to approve the project for Preliminary Engineering. FTA approval to initiate Preliminary Engineering is not a commitment to fund Final Design or construction.

During the Preliminary Engineering phase, the local project sponsor refines the design of the project to a level of detail necessary to complete the requirements under the National Environmental Policy Act (NEPA). For New Starts, this usually includes the completion of a Final Environmental Impact Statement. Preliminary Engineering results in estimates of project costs, benefits and impacts in which there is a much higher degree of confidence than earlier in the project development process. Project management plans and fleet management plans are finalized and local funding sources are committed to the project, if they have not already been committed. A comprehensive Preliminary Engineering effort will also address the New Starts project evaluation criteria. Information on project justification and the degree of local financial commitment is updated and reported, as appropriate. As part of Preliminary Engineering activities, localities are encouraged to consider policies and actions designed to enhance the benefits of the project, as well as its financial feasibility.

Preliminary Engineering is typically financed with Section 5303 and Section 5307 funds, local revenues, and flexible funds under the Surface Transportation Program (STP) and the Congestion Mitigation and Air Quality (CMAQ) program. A project may not advance out of Preliminary Engineering until FTA has issued a Record of Decision (ROD) or Finding of No Significant Impact (FONSI), as required by NEPA.

Final Design

Once Preliminary Engineering is completed, a project sponsor who wants to advance a project must request FTA approval to enter the Final Design phase of development. The request must provide information that demonstrates the technical capability and financial capacity of the local project sponsor to undertake the necessary engineering. Like approval to enter into Preliminary Engineering, this approval is based upon a review and evaluation of the costs, benefits, and impacts under the statutory project evaluation criteria. Final Design is the last phase of project development, and includes such actions as right-of-way acquisition, utility relocation, and the preparation of final construction plans (including construction management plans), detailed specifications, construction cost estimates, and bid documents. Final Design is typically eligible for Section 5309 New Starts funding.

Project Evaluation and Rating Process

Section 5309(e) requires FTA to evaluate each proposed New Starts project according to a series of criteria for project justification and local financial commitment. As proposed projects proceed through the stages of the planning and project development process, they are evaluated against the full range of statutory criteria. Based on the results of this evaluation and consistent with Section 5309(e)(6), summary ratings of "Highly Recommended," "Recommended," or "Not Recommended" are assigned to each proposed project. The results of these evaluations are used as the basis for decisions regarding approval for entry into Preliminary Engineering and Final Design, to execute an FFGA, and to make annual funding recommendations to Congress. FTA relies on a multiple-measure approach to assign these ratings, which are updated throughout the Preliminary Engineering and Final Design processes as information concerning costs, benefits, and impacts is refined. The data used to evaluate and rate proposed projects are developed during the project development process, and are collected annually for the production of this report, as well as when individual project sponsors request approval to enter Preliminary Engineering or Final Design, and to receive an FFGA. The New Starts project evaluation criteria are in addition to the general grant eligibility requirements that apply to all FTA funding programs.

The Criteria

The criteria under which proposed New Starts projects must be evaluated are established by statute, required under 49 CFR Part 611; and contained in Section 5309(e), which specifies that the Secretary of Transportation may approve a grant or loan under the Section 5309 New Starts program only for projects that are:

1. based on the results of Alternatives Analysis and Preliminary Engineering;
2. justified based on a comprehensive review of mobility improvements, environmental benefits, cost effectiveness, and operating efficiencies; and
3. supported by an acceptable degree of local financial commitment, including evidence of stable and dependable financing sources to construct, maintain, and operate the system or extension.

Project Justification

As required by 49 CFR Part 611, the criteria for assessing project justification are evaluated according to the following:

- Mobility improvements
- Environmental benefits
- Cost effectiveness
- Operating efficiencies
- Transit-supportive existing land use, policies and future patterns
- Other factors

The first four criteria above are taken directly from statute. Although land use factors are not specifically included among the project justification criteria established by Section 5309(e)(1)(B), they are referenced repeatedly among the "considerations" that Section 5309(e)(3) directs FTA to take into account when evaluating project justification. Because of this emphasis, found in both

the Transportation Equity Act for the 21st Century (TEA-21) and the earlier Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), FTA has established criteria for evaluating the extent to which existing land use, policies and future patterns are transit-supportive. Consistent with Section 5309(e)(3)(H), FTA also includes a variety of other factors when evaluating project justification, to account for project benefits not covered by the five criteria explicit in the law.

Financial Criteria

Section 5309(e)(1)(C) requires that proposed projects be supported by an acceptable degree of local financial commitment, including evidence of stable and dependable financing sources to construct, maintain and operate the system or extension. The criteria for evaluation of the local financial commitment to a proposed project are:

- The proposed share of total project costs from sources other than the New Starts section of Section 5309, including Federal formula and flexible funds, the local match required by Federal law, and any additional capital funding;
- The stability and reliability of the proposed capital financing plan; and
- The ability of the sponsoring agency to fund operation and maintenance of the entire transit system, including existing service, as planned, once the guideway project is built.

The Evaluation

As noted above, FTA evaluates proposed New Starts projects against the full range of criteria for both project justification and local financial commitment, using a multiple-measure method.

Project evaluation is an ongoing process; as proposed New Starts projects proceed through the project development process, information concerning costs, benefits, and impacts is refined, and the ratings are updated to reflect new information. The ratings reported in this document were used as part of the development of the President's FY 2004 Budget Request, and, like all information contained in this report, are current for that purpose.

For each of the project justification criteria, the proposed New Starts project is evaluated against a "baseline alternative." The baseline alternative is best described as improvements to the transit system that are relatively low in cost and the "best that can be done" to improve transit service in the corridor without major capital investment for new infrastructure. Use of a "baseline alternative" results in a more realistic depiction of the benefits of a significant capital investment. For purposes of project evaluation and rating, project sponsors and FTA must agree on the definition of the baseline alternative for each proposed New Starts project.

In evaluating the project justification criteria, FTA gives primary consideration to the measures for cost effectiveness, transit supportive land use, and mobility improvements, though all criteria are an integral part of the evaluation process. FTA attempts to reflect the unique characteristics and objectives of each New Starts project as it applies the project justification criteria and other factors.

In evaluating local financial commitment, the measures for the proposed local share of capital costs and the strength of the capital and operating financing plans are the primary factors considered. The evaluations are based upon the status of the non-New Starts funding proposed in the project's financial plans, the completeness of the financial plan, and the financial capacity of the project sponsor to undertake the major capital investment and operate and maintain the planned transit system over a 20-year period. FTA designates the funds proposed in each

financial plan as existing, committed, budgeted, planned, uncertain or unspecified for the proposed major capital investment and ongoing operations and maintenance costs of the planned transit system.

The rating process also accounts for a proposed project's stage of development. Recognizing that it is not possible to achieve the same level of detail or degree of certainty for projects in the early stages of Preliminary Engineering as those nearing the end of Final Design and contemplating an FFGA, FTA applies different rating standards at different stages of project development. Thus, a project in Final Design is expected to have all local funds committed and available to fund the project in order to achieve a "high" rating for its capital financing plan. In contrast, a project in Preliminary Engineering could be rated "high" if all funds have been identified and committed, but some of those funds are not yet available to the project. As projects move through the development process, FTA expects increasing certainty with regard to all project evaluation criteria, and the degree of difficulty in obtaining a "high" rating increases.

The Ratings

For each of the project justification criteria, a proposed New Starts project is evaluated against the baseline alternative. FTA assigns the proposed project one of five descriptive ratings ("high," "medium-high," "medium," "low-medium," or "low") for each of the five criteria, with other factors considered as appropriate. The same rating scale is used for the three factors considered to evaluate local financial commitment. The individual criterion ratings are then combined into overall finance and project justification ratings, which in turn are combined to produce summary ratings of "Highly Recommended," "Recommended," or "Not Recommended."

For a proposed project to be rated as "Recommended," it must be rated at least "medium" in terms of both finance and project justification. To be "Highly Recommended," a proposed project must be rated higher than "medium" for both finance and justification. Proposed projects not rated at least "medium" in both finance and project justification receive an overall rating of "Not Recommended."

If a proposed project is rated as "Not Recommended," FTA indicates the area or areas that must be improved in order to improve the rating: "J" for justification, "O" for the operating funding plan, or "C" for the capital funding plan. Thus, if a proposed project that is found in need of improvement to its capital plan, it would be rated "Not Recommended (C)." A project requiring attention in all three areas would be rated "Not Recommended (JOC)." This provides project sponsors, local, State, and Federal decision-makers, and the public at large with a simple means to identify the basis for the rating.

These ratings are used both to approve entry into Preliminary Engineering and Final Design, as required under Section 5309(e)(6), and to recommend proposed projects for Federal funding commitments. A proposed project must receive a rating of at least "Recommended" in order to be approved for any of these purposes.

It is important to note that a rating of "Recommended" does not translate directly into a funding recommendation in any given fiscal year. Rather, the overall project ratings are intended to reflect overall project merit at a given point in time. Proposed projects that are rated "Recommended" or "Highly Recommended," will be eligible for multiyear funding recommendations in the

Administration's proposed budget only if other project readiness requirements have been met and sufficient funds are available.

Important Changes in the Rating Process

The ratings presented in the *2003 Annual Report on New Starts* reflect a new measure of project benefits aimed at quantifying travel-time savings for all users of the proposed project (both existing riders and new riders). "Transportation System User Benefits" captures a broader set of benefits to transit riders – including reductions in walk times, wait times, ride times, and number of transfers – in terms of savings in travel time. This measure replaces two measures previously used: hours of travel time savings for existing transit trips in the calculation of mobility benefits; and the number of new transit trips in the calculation of cost-effectiveness. In addition, FTA has modified the application of the criteria for local financial commitment to reflect Congressional direction and the Administration's desire to maximize the impact of available funds. These changes are discussed in more detail below.

Mobility Improvements

Mobility improvements are evaluated based on two measures. The first is the transportation system user benefits per project passenger mile. It is derived by dividing the transportation system user benefits for all users of the transit system by passenger miles traveled on the New Starts project. The second measure has not changed from last year. It reflects the number of low-income households and total employment within one half mile of a station or stop of the New Starts project.

Cost-Effectiveness

The revised measure of cost effectiveness is the incremental cost of the project divided by hours of travel-time savings (transportation system user benefits). It is reported in units of dollars per hour. Cost is defined as the estimated annualized capital cost (not including financing costs) plus annual operating and maintenance costs. Transportation system user benefit is defined as all annual travel-related benefits in terms of hours saved by all users of the transit system (both existing riders and new riders). For informational purposes, FTA has included the measure used for cost effectiveness last year, cost per new transit trip, in the profile of each project. FTA has considered only the new measure in the development of project ratings.

Local Financial Commitment

FTA continues to encourage project sponsors to request a Federal New Starts funding share that is as low as possible. The Conference Report that accompanied the FY 2002 Department of Transportation Appropriations Act instructs "FTA not to sign any new full funding grant agreements after September 30, 2002 that have a maximum Federal share of higher than 60 percent." Consistent with this Congressional direction, projects seeking a Federal New Starts share over 60 percent have been given a "low" rating for local financial commitment, which results in a "Not Recommended" rating. In addition, the Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY 2004. None of the four new projects recommended for funding in the President's FY 2004 budget and this report has a proposed Federal New Starts share greater than 50 percent.

FY 2003 Annual Report Ratings

The results of the project evaluation process for this report are reported in **Table 1**. Ratings are established for proposed projects that are in Preliminary Engineering and Final Design only; projects undergoing Alternatives Analysis typically have not developed sufficient information for meaningful evaluation, since local decisions regarding the preferred alternative and scope of the project are still pending. Also not listed are projects for which FFGAs have already been issued, because the decision to award an FFGA represents a final determination of project justification and local financial commitment.

Table 1: Summary of New Starts Project Ratings for FY 2004

As in previous reports, FTA has identified several projects as "Not Rated." This year, "Not Rated" indicates that FTA has serious concerns about the information submitted for mobility improvements and cost effectiveness because the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. The principal source of inconsistencies has been in the definitions of the baseline alternative and the proposed New Starts project. These inconsistencies have made it impossible to isolate the impacts of the proposed project in terms of ridership, transportation benefits, operating and maintenance costs, capital costs, and cost-effectiveness. FTA will continue to work with project sponsors to validate assumptions, information, and projections. A rating for these projects will be made available to Congress and other interested parties when the issues are resolved.

In addition, in a few cases, project information has not yet been submitted by the project sponsor for FTA evaluation. In some cases, this is because the project has recently moved into Preliminary Engineering or is no longer considered an exempt project. In others, the project sponsor, for a variety of reasons, has not submitted updated information for evaluation. The rating for all of these projects is noted as "Not Yet Available." Like projects identified as "Not Rated," ratings for these projects will be made available to Congress and other interested parties when information is submitted and the project evaluation is complete.

Appendix A provides a more detailed profile for each project for which an FFGA has been issued or a Federal funding commitment is pending, as well as for projects in Final Design and Preliminary Engineering. Profiles for projects with FFGAs include a description, status, list of funding sources and map. Profiles for projects in Final Design and Preliminary Engineering include a description, status, list of funding sources, map, and a presentation of the project evaluation criteria and ratings. Each of these profiles includes a summary description that highlights the overall project ratings and presents key descriptive, cost and ridership data for the proposed New Starts project compared to its baseline alternative. Appendix B provides a brief description and status for other planning studies and projects which were authorized in Section 3030 of TEA-21, but which have not yet entered Preliminary Engineering.

As noted above, project evaluation is an ongoing process. The ratings contained in this report are based on project information available through November 2002. As proposed New Starts proceed through the project development process, the estimates of costs, benefits, and impacts are refined. The FTA ratings and recommendations are updated annually for purposes of this report, as well as at the time a request is made to enter into Preliminary Engineering, Final Design, or an

FFGA. The Annual New Starts Report provides a snapshot of each project in development. In addition to providing information to Congress, it serves as guidance to project sponsors, so that improvements can be made. Since projects can be expected to continue to change as they progress through the development process, the ratings for projects that are not yet recommended for full funding grant agreements should not be construed as a statement about the ultimate merits of the project, but, rather, an assessment of the project's current strengths and weaknesses. It should be stressed, however, that the ratings reported in this document are final for purposes of the President's Fiscal Year 2004 Budget Request. Updated project information and ratings will be reviewed as part of the budget development process for the next fiscal year.

Exemptions

Under Section 5309(e)(8)(A), proposed projects for which less than \$25 million in Section 5309 Federal New Starts funding is sought are exempt from the project evaluation and rating process described above. Where the sponsoring agency believes that a proposed project meets this requirement, submission of project justification and financial commitment information to FTA is not required. However, exempt projects must still meet all planning, environmental, project management, and other requirements that demonstrate their readiness to advance into Preliminary Engineering and Final Design. Moreover, submitting project evaluation data maintains a proposed project's eligibility for an FFGA should it be later determined that the Federal share will exceed \$25 million. Therefore, sponsors of exempt projects are strongly encouraged to submit information on project justification and financial commitment.

Principles for Funding Recommendations

As noted above, the project ratings of “Highly Recommended,” “Recommended,” and “Not Recommended” are intended to reflect the overall merits of each project. A rating of “Recommended” does not translate directly into a funding recommendation in any given fiscal year. Rather, the overall project ratings are intended to reflect overall project merit. Proposed projects that are rated “Recommended” or “Highly Recommended,” are eligible for multi-year funding recommendations in the Administration’s proposed budget if other project readiness requirements have been met and if funding is available.

In determining which projects can be expected to be ready for an FFGA and thus be recommended for funding in the Administration’s budget proposal, FTA applies strict tests for readiness and technical capacity. To ensure that the recommended projects are fully developed, FTA verifies that no outstanding project scope or cost issues remain (e.g., rail right of way acquisition issues), and that there are no remaining local financial commitment issues.

When recommending annual funding allocations among proposed New Starts, the following general principles are applied:

- Existing FFGA commitments should be honored, to the extent that funds can be obligated for these projects in the coming fiscal year, before any new funding recommendations are made.
- The FFGA defines the terms of the Federal commitment to a specific project, including funding. Upon completion of an FFGA, the Federal funding commitment has been fulfilled. Additional project funding will not be recommended. Any additional costs beyond the scope of the Federal commitment are the responsibility of the grantee.
- Any project recommended for new funding commitments must meet the project justification, finance, and process criteria established by Section 5309(e) and be consistent with Executive Order 12893, “Principles for Federal Infrastructure Investments,” issued January 26, 1994.
- Firm funding commitments, embodied in FFGAs, will not be made until the Final Design process has progressed to the point where uncertainties in estimated costs, benefits, and impacts have been minimized, so that additional work would not be expected to significantly improve these estimates. Funding should be provided to the most highly rated projects to allow them to proceed through the process on a reasonable schedule, to the extent that funds can be obligated to such projects in the upcoming fiscal year.
- Funding for initial planning efforts such as Alternatives Analysis is provided through the Section 5303 Metropolitan Planning or Section 5307 Urbanized Area Formula Grants programs. FTA does not support the use of Section 5309 funds for initial planning activities. Moreover, Section 5309(m)(2) limits the amount of New Starts funding that can be used for purposes other than Final Design and Construction to not more than eight percent of the funds appropriated.

New Starts Allocations and Recommendations

The President's budget for FY 2004 proposes that \$1,514.92 million be made available for New Starts under Section 5309. After subtracting amounts for FTA oversight activities proposed in the budget and approved by P.L. 107-87 [1] and for ferry capital projects in Alaska or Hawaii, a total of \$1,368.28 million remains available for projects. Of this amount, a total of \$994.26 million is proposed for allocation among 19 projects with existing Federal commitments. An additional \$139.02 million is proposed to be allocated among three projects for which funding commitments are currently pending, and \$235.00 million is proposed to be allocated among four projects that are expected to be ready for funding commitments before the end of FY 2004 (i.e., September 30, 2004). Complete descriptions of these projects can be found in [Appendix A](#).

- [Table 2: FY 2004 New Starts Funding Recommendations](#)
- [Figure 1. Map of New Starts Projects with Pending and Full Funding Grant Agreements \(PDF\)](#)
- [Figure 2. Map of New Starts Projects in Preliminary Engineering and Final Design \(PDF\)](#)

[Table 2](#) summarizes the recommendations for FY 2004 funding and overall funding commitments. For each project, the first column indicates the overall project rating, as described earlier in this report. The second column shows the amount of FY 2002 and prior year funds that have been obligated to each project. The third column shows the amount of funds requested for FY 2003 in the President's budget request to Congress. The fourth column shows the FY 2004 funding recommendations contained in the President's budget request, and the fifth indicates the amount of out-year funding remaining for those projects currently under FFGAs. Finally, the last column sums the first five columns and shows the total amount to be made available over the life of the project from Federal New Starts funds.

A Word About Full Funding Grant Agreements

Section 5309(e)(7) specifies the Full Funding Grant Agreement (FFGA) as the means by which New Starts projects are to be funded. The FFGA is also the principal means used by FTA to manage the New Starts caseload. FTA also has the discretion to use an FFGA in awarding Federal assistance for other major capital projects.

The FFGA defines the project, including cost and schedule; commits to a maximum level of Federal financial assistance (subject to appropriation); establishes the terms and conditions of Federal financial participation; defines the period of time for completion of the project; and helps to manage the project in accordance with Federal law. The FFGA assures the grantee of predictable Federal financial support for the project (subject to appropriation), while placing a limitation on the amount of that Federal support.

Thus, an FFGA limits the exposure of FTA and the Federal government to cost increases that may result if project design, engineering and/or project management is not adequately performed at the local level. While FTA is responsible for ensuring that planning projections are based on realistic assumptions and that design and construction follow acceptable industry procedures, it is the responsibility of project sponsors to ensure that proper project management, design and engineering have been performed. FTA is not directly involved in the design and construction of New Starts projects.

Additional information and guidance on developing FFGAs is contained in FTA Circular C 5200.1, Full Funding Grant Agreements Guidance, dated July 2, 1993, and the FTA Rule on Project Management Oversight (49 CFR Part 633).

Existing Federal Funding Commitments

Nineteen projects have an existing FFGA that commits FTA to provide a specified level of major capital investment funding. These projects will require a total of \$994.26 million in FY 2004. The status of these projects and the individual funding recommendations for FY 2004 are described below. All of these projects have been authorized by Congress, and all were either under an FFGA prior to TEA-21 or have been rated as “Recommended” or higher at the time the FFGA was issued.

An additional seven projects have an existing FFGA for which the Federal funding commitment will be fulfilled if the FY 2003 Congressional appropriation adheres to the President’s FY 2003 Budget Request. These projects will not require additional funds in FY 2004, if that is the case. They are listed separately below.

[1] Section 319 of P.L. 107-87, Department of Transportation and Related Agencies Appropriations Act, 2002, states that, “beginning in fiscal year 2002 and thereafter, the Secretary may use up to 1 percent of the amounts made available to carry out 49 USC 5309 for oversight activities under 49 USC 5327.”

FY 2004 Funding Recommendations for Existing FFGAs

Baltimore/Central LRT Double-Track

The Maryland Transit Administration is upgrading from single to double track along 9.4 miles of the Baltimore Central Corridor Light Rail Line. The Central Corridor Line is 29 miles long and operates between Hunt Valley in the north to Cromwell/Glen Burnie in the south, serving Baltimore City and Baltimore and Anne Arundel Counties, with extensions providing direct service to the Amtrak Penn Station and the Baltimore-Washington International Airport. In the year 2020, projected average weekday boardings are estimated at 44,000 with an estimated 6,800 daily new riders. Double track operations are scheduled to begin on December 31, 2006.

The total cost of the double-tracking and related improvements is estimated at \$153.70 million. The FFGA for this project was awarded in July 2001, with a Federal commitment of \$120.00 million. A total of \$21.49 million has been appropriated through FY 2002, and an additional \$24.25 million was requested in the President's budget proposal for FY 2003. Assuming that the President's FY 2003 budget request is honored, it is recommended that \$40.00 million be provided in FY 2004 to continue development of this project.

Chicago/Douglas Branch Reconstruction

The Chicago Transit Authority (CTA) is completing the reconstruction of the Douglas Branch heavy rail line. Part of the CTA's Blue Line, the 11-station Douglas Branch extends 6.6 miles from Cermack Avenue to a point just west of downtown Chicago. The oldest segment on the line opened in 1896 and the "newest" in 1910, though numerous improvements and upgrades were made through the mid-1980s. Age-related deterioration has resulted in high maintenance and operating costs on the line, as well as declining service.

The Douglas Branch currently carries approximately 27,000 riders on an average weekday, and serves one of the most economically distressed areas in Chicago. Low-income households make up 30 percent of the total number of households within walking distance of the stations. The line has been in operation for over 100 years, and serves neighborhoods that originally developed along the system. The corridor contains an estimated 54,000 jobs and 115,000 residents within one-half mile of the stations, and serves the University of Illinois at Chicago (25,000 students) and Chicago's large, dense central business district with an estimated 339,000 jobs. Population and employment densities are high, averaging 9,100 jobs and nearly 20,000 people per square mile. The project is expected to serve 6,000 daily new riders in 2020. After "looping" through the central business district, the Blue Line also extends to O'Hare International Airport. Reconstruction is scheduled to be complete by January 31, 2005. The total capital cost of the Douglas Branch Reconstruction project is estimated at \$482.50 million.

Section 3030(a)(106) of TEA-21 authorizes the Douglas Branch to enter Final Design and construction. In January 2001, FTA and CTA entered into an FFGA that commits a total of \$320.10 million in Section 5309 New Starts funds to this project. A total of \$52.20 million was provided through FY 2002. An additional \$55.00 million was requested in FY 2003. In accordance with the FFGA, it is recommended that \$85.00 million in Section 5309 New Starts funds be provided to this project in FY 2004.

Chicago/North Central Corridor Commuter Rail

Metra, the commuter rail division of the Regional Transportation Authority (RTA) of Northeastern Illinois, is adding a second mainline track along 16.3 miles of the 55-mile North Central Service commuter rail line, as well as a 2.3-mile stretch of third track. The North Central corridor extends from downtown Chicago to Antioch on the Illinois-Wisconsin border, and traverses suburban Lake County. It includes the two most significant hubs of employment in the six-county northeastern Illinois region, the Chicago CBD and the area surrounding O'Hare International Airport. Metra estimates that this project will have 8,400 average weekday boardings by 2020. In addition to new tracks, the proposed project also includes track and signal upgrades, construction of five new stations, parking facilities, rail yard expansion and the purchase of two new diesel locomotives. The improvements are scheduled to be complete in December 2006. The total capital cost of this project is estimated at \$225.52 million.

FTA awarded Metra a Full Funding Grant Agreement on November 5, 2001 for a total of \$135.32 million in Section 5309 New Starts funding. Through FY 2002, a total of \$51.26 million was provided for this project, and an additional \$20.00 million was requested in FY 2003. FTA recommends that \$20.00 million be provided to the Metra North Central Commuter Rail project in FY 2004.

Chicago/South West Corridor Commuter Rail

Metra, the commuter rail division of the Regional Transportation Authority (RTA) of Northeastern Illinois, is building an extension and various improvements to the existing South West commuter rail line. The 33-mile South West line provides service from Orland Park, Illinois, to downtown Chicago. This project extends the line 12 miles from the existing station at 179th Street in Orland Park, southwest to Manhattan, Illinois. The project also includes the construction of three miles of second mainline track, three new stations, expansion of the existing yard and three diesel locomotives. Metra estimates that 13,800 average weekday boardings, including 7,600 daily new riders, will use the improved South West Corridor commuter rail line in the year 2020. Revenue operations on the extension are scheduled to commence in December 2006. The total cost of this project is estimated at \$198.12 million.

A Full Funding Grant Agreement was signed on November 5, 2001, authorizing \$103.02 million in Section 5309 New Starts funding. Through FY 2002, a total of \$38.50 million has been provided for this project. In FY 2003, FTA requested \$20.00 million in New Starts funding for the Metra South West Corridor Commuter Project. In accordance with the FFGA, FTA recommends \$20.00 million in Section 5309 New Starts funds be provided to the Metra South West Corridor project in FY 2004.

Chicago/Union-Pacific West Line Extension

Chicago's Metra commuter rail division is planning additional extensions and improvements on its Union Pacific West Commuter Rail line. The Union Pacific West project, also known as the Central Kane Corridor, is an extension of the existing 35-mile Union Pacific West (UPW) line, which currently provides service between Geneva and downtown Chicago. This project would extend the line 8.5 miles west to Elburn, with two new stations serving Elburn and La Fox, purchase two diesel locomotives, and construct a storage yard. The extension itself will use existing railroad track and right-of-way currently used by both Metra and the Union Pacific freight

railroad. This project will link the rapidly developing communities to the west of Chicago with the major employment center in the Chicago CBD. Metra estimates that 3,900 average weekday boardings will occur on the UPW line in the year 2020. Revenue operations are scheduled to commence in December 2006. The total capital cost of the Union Pacific West extension and improvements project is estimated at \$134.56 million.

FTA issued an FFGA for this project on November 5, 2001, that will provide a total of \$80.76 million in Section 5309 New Starts funding. Through FY 2002, a total of \$32.84 million was provided for this project, and an additional \$12.00 million was requested in FY 2003. In FY 2004, FTA recommends that \$12.00 million be provided to the Metra Union Pacific West project.

Dallas/North Central LRT Extension

Dallas Area Rapid Transit (DART) is constructing a 12.5-mile, nine-station extension of its light rail system from the Park Lane Station north to the City of Plano. DART estimates that approximately 17,000 riders will use this extension by 2020, of which 6,800 will be new riders. The total cost of this project is estimated at \$517.20 million. DART began contracting for construction and purchasing vehicles and necessary right-of-way in May 1998, and expects to open the full length of North Central extension for revenue service in December 2003.

The North Central extension is authorized for Final Design and construction under Section 3030(a)(20) of TEA-21. FTA issued an FFGA for this project on October 6, 1999, that will provide a total of \$333.00 million in Section 5309 New Starts funding. Through FY 2002, a total of \$230.91 million has been provided to this project, with a request for an additional \$70.00 million in FY 2003. It is recommended that \$30.16 million be provided to this project in FY 2004.

Denver/Southeast Corridor LRT

The Regional Transportation District (RTD) in Denver and the Colorado Department of Transportation (CDOT) are implementing a 19.12-mile, 13-station light rail line, with 34 vehicles and 12 park-and-ride lots. This LRT project will provide service between downtown Denver and Lincoln Avenue in Douglas County along Interstate-25, with a spur along Interstate-225 to Parker Road in Arapahoe County. Known as T-REX, the double-tracked line will operate over an exclusive right-of-way and connect with both the existing Central Corridor light rail line in downtown Denver and the recently completed Southwest line. Ridership is estimated at 38,100 average weekday boardings, including 12,900 new riders. The total capital cost of this project is estimated at \$879.27 million. Revenue service is projected for June 2008.

Section 3030(a)(23) of TEA-21 authorized the Southeast LRT in Denver for Final Design and construction. FTA issued an FFGA for this project on November 17, 2000, which will provide a total of \$525.00 million in Section 5309 New Starts funding. A total of \$60.86 million in Section 5309 New Starts funds was appropriated for this project through FY 2002, and an additional \$70.00 million was requested in FY 2003. It is recommended that \$80.00 million be provided to this project in FY 2004, as specified in the FFGA.

Ft. Lauderdale/Tri-County Commuter Rail Upgrades

The Tri-County Commuter Rail Authority (Tri-Rail) is undertaking several system improvements to the 71.7-mile regional transportation system it operates between Palm Beach, Broward and Dade Counties in South Florida. This area has a population of over four million, nearly one-third of the total population of Florida. The improvements include construction of a second mainline track, rehabilitation of the signal system, station and parking improvements, acquisition of new rolling stock, improvements to the Hialeah Maintenance Yard facility and construction of a new, northern layover facility. Double-tracking will improve service by a factor of three, permitting 20-minute intervals between trains during peak commuter hours instead of the current one-hour headways. Tri-Rail estimates that these improvements will result in 42,100 average daily boardings by 2015, including 10,200 daily new riders.

On May 16, 2000, FTA issued an FFGA for Segment 5 of the Double Track Corridor Improvement Program, which includes construction of 44.30 miles of the second mainline track and upgrades to existing grade crossings along the entire 71.7-mile South Florida Rail Corridor. These improvements are expected to be complete by March 2005. The first four segments, upgrading the Hialeah Maintenance Yard and replacing the New River Bridge, while part of the overall Double Track Corridor Improvement Program, are not included in the scope of this project. Total capital costs for the Segment 5 project are estimated at \$327 million.

The FFGA for the Double Track Corridor Improvement Program Segment 5 Project provides a total of \$110.50 million in Section 5309 New Starts funding. Tri-Rail was allocated a total of \$52.40 million in FY 2002 and prior year funding to this project, and an additional \$39.69 million was requested in FY 2003. In accordance with the FFGA, FTA recommends \$18.41 million be provided to Tri-Rail in FY 2004 to complete the Federal commitment on this project.

Memphis/Medical Center Extension

The Memphis Area Transit Authority (MATA), in cooperation with the City of Memphis, is building a two-mile light rail extension to the Main Street Trolley/Riverfront Loop vintage rail system. The extension would expand service from the central business district east to the Medical Center area. The line would operate on city streets in mixed traffic and would connect with the Main Street Trolley, sharing a lane with automobile traffic on Madison Avenue between Main Street and Cleveland Street. Six new stations would be located along the route. The line will be designed to accommodate light rail vehicles, but vintage rail cars would be used until a proposed regional LRT line is implemented and a fleet of modern LRT vehicles is acquired. The revenue operations date is March 2004. The total capital cost of this project is estimated at \$74.58 million. This project would be the last segment of the downtown rail circulation system, as well as the first segment of a possible regional light rail line.

Section 3030(a)(43) of TEA-21 authorized the Memphis Corridor to enter Final Design and construction. On December 12, 2000, FTA issued an FFGA committing a total of \$59.67 million in Section 5309 New Starts funds to the Medical Center Extension. A total of \$35.31 million has been appropriated for this project through FY 2002, including \$0.5 million of funding prior to the FFGA. An additional \$15.61 million was requested in FY 2003, leaving \$9.25 million needed to complete the project. It is recommended that \$9.25 million in Section 5309 New Starts funds be provided in FY 2004.

Minneapolis/Hiawatha Corridor LRT

Metro Transit and the Metropolitan Council of Minneapolis, in cooperation with the Minnesota Department of Transportation, Hennepin County, and the Metropolitan Airports Commission are constructing an 11.6-mile, 17-station light rail line linking downtown Minneapolis, the Minneapolis-St. Paul International Airport, and the Mall of America in Bloomington. The line would operate along the corridor following Hiawatha Avenue and Trunk Highway 55. The line begins in the central business district and travels south on the existing transit mall along 5th Street, follows the former Soo Line Railroad from the Metrodome to Franklin Avenue, and then runs parallel with Hiawatha Avenue towards the airport. The line will tunnel under the runways and taxiways for 1.8 miles, with one station, emerge on the west side of the airport, and continue south to the vicinity of the Mall of America in Bloomington. The project is expected to serve 24,800 average weekday boardings by the year 2020; 19,300 average weekday boardings are projected in the opening year. Revenue service is scheduled to commence in December 2004. The total capital cost of the Hiawatha Corridor LRT is estimated at \$675.40 million.

Section 3030(a)(91) of TEA-21 authorizes the Twin Cities – Transitway Corridors for Final Design and construction. In January 2001, FTA issued an FFGA that commits a total of \$334.30 million in Section 5309 New Starts funds to the Hiawatha Corridor LRT. Of this amount, \$168.35 million has been provided in FY 2002 and prior years, and an additional \$60.00 million was requested in FY 2003. In accordance with the FFGA, it is recommended that \$74.98 million in Section 5309 New Starts funds be provided to this project in FY 2004.

Northern New Jersey/Hudson-Bergen MOS-2

The second Minimum Operable Segment (MOS-2) of the NJ Transit Hudson-Bergen LRT system is a 5.1-mile, seven-station segment running north from Hoboken Terminal to the Tonnelle Avenue park-and-ride lot in North Bergen and south one mile to 22nd Street in Bayonne. The Hudson-Bergen MOS-2 line will serve an area with one of the highest residential densities in the region, and the downtown Jersey City area contains the largest concentration of office development in Hudson County. By providing connections to ferry and commuter rail service, the line will also serve the Manhattan central business district. MOS-2 is scheduled for completion at the end of 2005 and is anticipated to carry 34,900 average weekday boardings in 2010. The total cost for the Hudson-Bergen MOS-2 project is \$1,215.40 million.

FTA issued an FFGA for this project on October 31, 2000, committing a total of \$500.00 million in Section 5309 New Starts funds. The MOS-2 project does not require funding from the Section 5309 New Starts program until FY 2003; the issuance of the FFGA at this point provided NJ Transit with the authority to borrow funds to begin construction, under the same turnkey MOS-1 contract. This permitted the entire Hudson-Bergen project to be constructed at a lower cost by avoiding the significant costs associated with stopping and then restarting a major construction project. In FY 2003, \$50.00 million in New Starts funding was requested. In accordance with the FFGA, it is recommended that \$100.00 million in Section 5309 New Starts funds be provided to this project in FY 2004.

Northern New Jersey/Newark Rail Link - MOS-1

The New Jersey Transit Corporation (NJ Transit) is developing a one-mile, five-station extension of the Newark City Subway light rail line, running from Broad Street Station in Newark-to-Newark

Penn Station. This project is the first minimum operable segment (MOS-1) of a proposed 8.8-mile, 16-station light rail system that will link the cities of Newark and Elizabeth, New Jersey. The second stage is a planned one-mile segment from Newark Penn Station to Camp Street in downtown Newark, and the third is the planned remaining seven-mile segment to Elizabeth, which includes a station serving Newark International Airport. The total cost of the MOS-1 segment is \$207.75 million. It will serve 13,300 average weekday boardings in 2015. The projected opening date for this project is June 2005.

Section 3030(a)(57) of TEA-21 authorized the New Jersey Urban Core Project, which consists of eight separate elements including the Newark-Elizabeth Rail Link, for Final Design and construction. On August 2, 2000, FTA issued an FFGA committing a total of \$141.95 million in Section 5309 New Starts funds to the Newark Rail Link MOS-1 project. Through FY 2002, Congress has appropriated a total of \$59.39 million for this project. An additional \$60.00 million was requested in FY 2003. As specified in the FFGA for this project, it is recommended that \$22.57 million be provided in FY 2004 to complete the Federal commitment for this project.

Pittsburgh/Stage II LRT Reconstruction

The Port Authority of Allegheny County (Port Authority) is in the process of reconstructing Pittsburgh's old 25-mile trolley lines to modern light rail standards. The reconstruction is taking place in two stages. The Stage I Light Rail Transit (LRT) project, undertaken in the 1980s, included reconstruction of the first segment and construction of Pittsburgh's first subway. Ground was broken on the Stage I LRT project in December 1980, and the reconstruction of this segment was completed in 1987. The Stage II LRT project includes reconstruction of the remaining 12 miles of the system, which consists of the Overbrook, Library and Drake trolley lines, to modern LRT standards. Single-track segments will be double-tracked, the Overbrook and Drake lines (which are currently closed) will be reopened, and 28 new light rail vehicles will be purchased.

In order to prioritize program needs against financing requirements, Port Authority reconfigured its rail improvement program in 1999. As a result, the Stage II LRT project will itself be undertaken in segments. The revised Stage II LRT Priority Program includes reconstruction of 10.7 miles on both the Overbrook Line and a portion of the Library Line, construction of 2,400 park-and-ride spaces, and the purchase of 28 light rail vehicles. The revenue operations date for the project is June 2004. The total capital cost of the Stage II Priority Program is estimated at \$386.46 million. The remaining portions of the original Stage II LRT project will be undertaken as local funding becomes available.

Section 3030(a)(98) of TEA-21 authorizes the Pittsburgh – Stage II Light Rail project for Final Design and construction. In January 2001, FTA issued an FFGA for this project that commits a total of \$100.20 million in Section 5309 New Starts funding. Through FY 2002, a total of \$41.53 million has been appropriated for this project, and an additional \$26.25 million was requested in FY 2003. This leaves a total of \$32.42 million needed to complete the anticipated Federal commitment to this project. In accordance with the FFGA, it is recommended that \$30.24 million be provided in FY 2004.

Portland/Interstate MAX LRT Extension

The Tri-County Metropolitan Transit District of Oregon (Tri-Met) is constructing a 5.8-mile, ten-station extension of the Interstate Metropolitan Area Express (Interstate MAX) light rail system, which will connect Portland's central business district with the regional Exposition Center in north Portland. Riders will be able to transfer between the Interstate MAX extension and the existing 33-mile East/West MAX line at the Rose Quarter station. This line will complement regional land use plans by connecting established residential, commercial, entertainment and other major activity centers, and will provide a key transportation link in the region's welfare-to-work programs. The total cost of the Interstate MAX project is estimated at \$350 million. Tri-Met estimates that the Interstate MAX extension will have 18,100 average weekday boardings and 8,400 daily new riders by 2020. Revenue service is scheduled to commence in September 2004.

On September 20, 2000, FTA and Tri-Met entered into an FFGA that commits a total of \$257.50 million in Section 5309 New Starts funds to the project. Through FY 2002, \$70.79 million was appropriated for this project. A total of \$70.00 million was requested for the Interstate MAX light rail extension in FY 2003. It is recommended that \$77.50 million be provided for this project in FY 2004, as specified in the FFGA.

Salt Lake City/Medical Center Extension

The Utah Transit Authority (UTA) is constructing the Medical Center Extension project, a 1.5-mile light rail transit (LRT) system extending from the University Line station at Rice-Eccles Stadium to the University of Utah Health Science Complex (Medical Center). The Medical Center LRT Line will include three stations: Huntsman Center, Wasatch Drive, and Medical Center. The Medical Center LRT Line will connect to the University Line LRT and the existing North/South LRT corridor. Station areas encompass a number of significant activity generators, including student housing, campus buildings, and a complex of medical facilities. Population in the corridor is about 5,000 and total Medical Center and University employment is about 18,000. Revenue Operations are scheduled to begin in 2004. Based on 1990 census data, there are an estimated 140 low-income households within a one-half mile radius of the proposed three stations. Ridership is estimated at 4,100 average weekday boardings, 3,400 of whom are new riders.

The total capital costs for this project are projected to be \$89.40 million. An FFGA was executed on May 17, 2002, which provided for \$53.63 million in Section 5309 New Starts funding (60 percent of the total cost). In FY 2002, Congress appropriated \$2.97 million for the Salt Lake City Medical Center extension. In FY 2003, \$20.00 million was requested for this project. In accordance with the FFGA for this project, FTA recommends that \$30.66 million be provided to the Medical Center Extension project in FY 2004.

San Diego/Mission Valley East LRT Extension

The Metropolitan Transit Development Board (MTDB) is constructing a 5.9-mile, four-station light rail extension of its existing Blue Line, from east of Interstate 15 to the City of La Mesa, where it will connect to the existing Orange Line near Baltimore Drive. The Mission Valley East line will serve four new and two existing stations and would include elevated, at-grade, and tunnel portions. The project includes two park and ride lots and a new access road between Waring Road and the Grantville Station. The corridor runs parallel to Interstate 8 in eastern San Diego and La Mesa, and is characterized by a mix of low- to moderate-density industrial, residential, and commercial uses, but includes several major activity centers such as San Diego

State University, the Grossmont regional shopping center, Kaiser Hospital, the Alvarado Medical Center, and the Grantville employment area. Over 24,000 jobs and nearly 10,000 residences are located within walking distance of the proposed stations, and existing zoning is generally supportive of transit. The project is expected to serve approximately 10,800 average weekday boardings in the year 2015. Revenue operations are scheduled to begin on December 31, 2005. Total capital costs are estimated at \$431 million.

On June 22, 2000, FTA issued an FFGA committing a total of \$329.96 million in Section 5309 New Starts funding to this project. Through FY 2002, Congress has appropriated \$112.72 million for this project, and an additional \$65.00 million was requested in FY 2003. As specified in the FFGA, it is recommended that \$65.00 million be provided for this project in FY 2004.

San Francisco/BART Extension to San Francisco Airport

Bay Area Rapid Transit (BART) in San Francisco and the San Mateo County Transit District (SamTrans) are constructing an 8.7-mile, four-station extension of the BART rapid transit system to serve San Francisco International Airport (SFO). The project consists of a 7.5-mile mainline extension from the existing BART station at Colma, through Colma, South San Francisco, and San Bruno, terminating at the Millbrae Avenue BART/CalTrain Station. An additional 1.2-mile spur from the main line north of Millbrae will take BART trains directly into the airport, to a station adjoining the new International Terminal. Ridership is projected to be 73,800 average weekday passengers by 2010, including approximately 17,800 daily trips by air travelers and airport employees. Revenue operations are scheduled to begin in early 2003.

The San Francisco International Airport is a major partner in this project. All structures and facilities to be constructed on airport property, and installation of related equipment, are being funded, designed and constructed by the airport for BART. This project is also part of the FTA Turnkey Demonstration Program to determine if the design/build approach will reduce implementation time and cost.

On June 30, 1997, FTA entered into an FFGA for the BART-SFO extension, committing a total of \$750 million in Federal New Starts funds to the project; total capital costs at that time were estimated at \$1,054 million. The total cost has since increased to an estimated \$1,550.23 million. This increase is attributed to a surge in local construction activity that resulted in higher than estimated costs for construction of the project. Under the terms of the FFGA, such cost increases are the responsibility of the local project sponsors. Thus, the original Federal commitment is unchanged at \$750 million. Through FY 2002, a total of \$371.37 million has been appropriated for this project. An additional \$100.00 million in New Starts funding was requested for the BART-SFO project in FY 2003. In order to make up for funding shortfalls in previous years, it is recommended that \$169.95 million be provided in FY 2004.

San Juan/Tren Urbano

The Puerto Rico Department of Transportation and Public Works (DTPW) is constructing a 10.7-mile, 16-station rapid rail line between Bayamon Centro and the Sagrado Corazon area of Santurce in the San Juan metropolitan area. The 17-vehicle system consists of a double-track line operating over at-grade and elevated rights-of-way with a short below-grade segment, and a maintenance facility. When complete, this system is expected to carry 113,300 riders per day by 2010.

On March 13, 1996, FTA entered into an FFGA committing \$307.41 million in Section 5309 New Starts funds to this project toward the total project cost of \$1,250 million. The total capital cost of the project specified in the FFGA is \$1,653.60 million. The funding level under the FFGA does not include \$4.96 million in Federal New Starts funding provided prior to FY 1996, which brings total Federal New Starts funding for this project to \$312.37 million. This FFGA was amended in July 1999 to include two additional stations and ten additional railcars. This amendment included \$141.00 million in Section 5307 funds and \$259.90 million in flexible funding; no additional Section 5309 New Starts funds were committed.

Due to concerns about schedule, costs and project management, in November 2000, FTA withheld \$165.69 million until the Puerto Rico Highway and Transportation Authority (PRHTA) submitted a satisfactory Recovery Plan. These funds were released in March 2002. FTA anticipates an additional amendment to the FFGA to reflect project cost increases and schedule changes. The estimated Revenue Operations Date is June 30, 2004.

A total of \$198.52 million in Section 5309 funds was allocated to the Tren Urbano project in FY 2002 and prior years, and an additional \$59.74 million was requested in FY 2003. In accordance with the FFGA, it is recommended that \$43.54 million be provided to this project in FY 2004.

Washington, D.C. Metropolitan Area/Largo Metrorail Extension

The Maryland Transit Administration (MTA) and the Washington Metropolitan Area Transit Authority (WMATA) are developing a joint project to extend the Blue Line of the Washington Metrorail system from the Addison Road station to Largo Town Center in Prince George's County, Maryland. The 3.1-mile, two-station extension will be operated by WMATA as an integral part of the regional Metrorail system, providing access to downtown Washington, D.C. and the surrounding counties in Maryland and Virginia. The line follows an alignment through central Prince George's County that has been preserved as a rail transit corridor in the county's Master Plan. The two new stations will be located at the Morgan Boulevard station, north of MD-214 (Central Avenue), and at Largo Town Center just outside the Capital Beltway (Interstate-95/495). Shuttle bus service is proposed to link both new stations with FedEx Field. MTA managed the project through Preliminary Engineering, and WMATA has assumed responsibility for managing the Final Design and construction activities. MTA and WMATA expect this extension to open for service by December 31, 2004. Average weekday boardings are estimated at 20,040 including 15,310 daily new riders. The total capital cost for this extension is \$433.90 million.

This project is authorized by Section 3030(a)(94) of TEA-21 to enter Final Design and construction. On December 15, 2000, FTA entered into an FFGA with WMATA that commits a total of \$260.30 million in Section 5309 New Starts funds to this project. This does not include \$5.65 million in prior year funds that were provided to the MTA for planning activities associated with this project, which would bring the total amount of Section 5309 New Starts funding to \$265.95 million. A total of \$67.53 million has been appropriated through FY 2002, and an additional \$60.00 million was requested in FY 2003. This leaves \$73.42 million required to complete the FFGA. In accordance with the FFGA, it is recommended that \$65.00 million be provided for this project in FY 2004.

Existing FFGAs Fully Funded in the President's FY 2003 Budget Request

The following seven projects with existing FFGAs will not require additional funding in FY 2004, if the FY 2003 Congressional appropriation matches the President's budget request for each project.

Atlanta/North Springs (North Line Extension)

The Metropolitan Atlanta Rapid Transit Authority (MARTA) has constructed a 2.3-mile, two-station extension of the North Line from the Dunwoody station to North Springs. This extension serves the rapidly-growing area north of Atlanta, which includes Perimeter Center and north Fulton County, and connects this area with the rest of the region by providing better transit service for both commuters and inner-city residents traveling to expanding job opportunities. Revenue operations began in December 2000. The daily ridership on the rail extension in the year 2005 is estimated at 33,000 riders, including 11,000 new riders.

On December 20, 1994, FTA issued an FFGA committing a total of \$305.01 million in New Starts funding to this project. In the Conference Report to the FY 2000 appropriations act, FTA was directed to amend the FFGA for this project to incorporate a change in scope as authorized under Section 3030(d)(2) of TEA-21. Accordingly, on March 2, 2000, FTA amended the FFGA to include 28 additional railcars, a multilevel parking facility in lieu of a surface parking lot, and enhancements to customer security and amenity measures at the Sandy Springs and North Springs stations.

The total cost of the amended project is \$463.18 million, with \$370.54 million from the Section 5309 New Starts program. Of the \$65.53 million increase in Federal funding, \$10.66 million was applied from unexpended prior-year funds identified from cost savings on the Dunwoody section of the North Line extension. Including these prior-year funds, a total of \$354.34 million has been appropriated for this project through FY 2002. The Administration's FY 2003 budget proposal requested \$16.11 million for this project, which would provide sufficient funds to complete the Federal funding commitment. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

Boston/South Boston Piers Transitway Phase

The Massachusetts Bay Transportation Authority (MBTA) is developing an underground transitway to connect the existing transit system with the South Boston Piers area. The Piers area, which is connected to Boston's central business district (CBD) by three local bridges, is undergoing significant development. Phase I of this project consists of a one-mile, three station bus tunnel between South Station and the Boston World Trade Center, with an intermediate stop at Fan Pier. Part of the construction is being coordinated with the Central Artery highway project. South Station serves the existing MBTA Red Line, as well as Amtrak and commuter rail and bus service. Daily ridership for the Transitway in 2010 is estimated to range from 22,000 trips in the lower-growth scenario to 34,100 trips in the high-growth scenario. The project is scheduled to open for revenue service in December 2004. The total estimated cost of Phase I is \$601 million dollars.

Section 3035(j) of ISTEA directed FTA to enter into an FFGA for this project. On November 5, 1994, an FFGA was issued for Phase I, committing a total of \$330.73 million in Section 5309 New Starts funding. Through FY 2002, a total of \$330.05 million has been provided for this project. The Administration's FY 2003 budget proposal requested \$0.68 million for this project, which would provide sufficient funds to complete the Federal funding commitment. If the FY 2003 Congressional appropriation provides the amount requested by the President, additional funding will not be required in FY 2004.

Los Angeles/MOS-3 Extensions of Metro Rail (North Hollywood)

The Los Angeles Metro Rail Red Line rapid-rail system is being planned, programmed and constructed in phases, through a series of "Minimum Operable Segments" (MOSs). The first of these segments (MOS-1), a 4.4-mile, five-station segment, opened for revenue service in January 1993. A 2.1-mile, three-station segment of MOS-2 opened along Wilshire Boulevard in July 1996, and an additional 4.6-mile, 5-station segment of MOS-2 opened in June 1999. The Federal funding commitment for these two segments has been fulfilled. On May 14, 1993, an FFGA was issued to the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the third construction phase, MOS-3.

MOS-3 was defined under ISTEA (Section 3034) to include three segments: the *North Hollywood* segment, a 6.3-mile, three-station subway extension of the Hollywood branch of MOS-2 to North Hollywood through the Santa Monica mountains; the *Mid-City* segment, a 2.3-mile, two-station western extension of the Wilshire Boulevard branch; and an undefined segment of the *Eastside* project, to the east from the existing Red Line terminus at Union Station. LACMTA later defined this eastern segment as a 3.7-mile, four-station extension under the Los Angeles River to First and Leona in East Los Angeles. On December 28, 1994, the FFGA for MOS-3 was amended to include this definition of the eastern segment, bringing the total commitment of Federal New Starts funds for MOS-3 to \$1,416.49 million.

In January 1997, after delays in the project, FTA requested that LACMTA submit a Recovery Plan to demonstrate its ability to complete MOS-2 and MOS-3 while maintaining and operating the existing bus system. On January 14, 1998, the LACMTA Board of Directors voted to suspend and demobilize construction on all rail projects other than MOS-2 and the MOS-3 North Hollywood Extension. The MTA submitted a Recovery Plan to FTA on May 15, 1998, which was approved by FTA on July 2, 1998.

On June 9, 1997, FTA and LACMTA negotiated a revised FFGA covering the North Hollywood segment (Phase 1-A) of MOS-3. The North Hollywood Extension is 6.3 miles in length, with three stations, entirely in subway. It extends the Hollywood branch of the MOS-2 generally to the north under the Santa Monica Mountains to North Hollywood in the San Fernando Valley. When the North Hollywood extension opened for service in June 2000, ridership for the entire system doubled to approximately 125,000 daily boardings, far exceeding the projected daily boardings for 2010.

The total capital cost of the North Hollywood project is estimated at \$1,310.82 million, of which the revised FFGA commits \$681.04 million in Section 5309 New Starts funds. Through FY 2002, a total of \$640.55 million has been appropriated for the North Hollywood section of MOS-3; an additional \$40.49 million was requested in FY 2003. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

Northern New Jersey/Hudson-Bergen MOS-1

The New Jersey Transit Corporation (NJ Transit) is constructing a 9.6-mile, 16-station light rail line along the Hudson River Waterfront in Hudson County, from the Hoboken Terminal to 34th Street in Bayonne and Westside Avenue in Jersey City. This line is intended as the initial minimum operable segment (MOS-1) of a larger 21-mile, 30-station line extending from the Vince Lombardi park-and-ride lot in Bergen County to Bayonne, passing through Port Imperial in Weehauken, Hoboken, and Jersey City. The core of the completed system will serve the high-density commercial centers in Jersey City and Hoboken, and provide connections with NJ Transit commuter rail service, PATH trains to Newark and Manhattan, and the Port Imperial ferry from Weehauken to Manhattan. This initial operating segment is being constructed under a turnkey contract to design, build, operate, and maintain the system, which was awarded in October 1996. Total costs are expected to be \$992.14 million for MOS-1. Construction began in December 1996. A portion of the MOS-1 line, between 34th Street and Exchange Place, opened in April 2000, and NJ Transit began revenue service from Exchange Place north to the Pavonia-Newport Station in November 2000. Full service to Hoboken Terminal began in Fall 2002. The full 21-mile system is expected to carry 94,500 riders per day.

The Department of Transportation issued an FFGA on October 15, 1996, that commits \$604.09 million in Section 5309 New Starts funding for MOS-1. Through FY 2002, a total of \$584.89 million has been appropriated for this project. In FY 2003, FTA requested \$19.20 million in New Starts funding for the Hudson-Bergen MOS-1, completing the Federal commitment. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

St. Louis/Metrolink St.Clair Extension

The Bi-State Development Agency (Bi-State) is developing a 26-mile extension of the Metrolink light rail line from downtown East St. Louis, Illinois to the Mid America Airport in St. Clair County. A 17.4-mile Minimum Operable Segment (MOS) extends from the current Metrolink terminal in downtown East St. Louis to Belleville Area College (now known as Southwest Illinois College). This segment consists of eight stations, seven park-and-ride lots, 20 new light rail vehicles, and a new maintenance facility in East St. Louis. The route makes extensive use of abandoned railroad rights-of-way. Revenue service began on May 5, 2001. The total capital cost of the St. Clair MOS is estimated at \$339.20 million.

On October 17, 1996, FTA and Bi-State entered into an FFGA that commits a total of \$243.93 million in Section 5309 New Starts funding to complete the 17.4-mile MOS to Southwest Illinois College and provides for extending the system to Mid-America Airport should funding become available at a later date. The funding committed to the MOS does not include \$8.48 million in Federal New Starts funding provided prior to FY 1996, which brings total Federal funding for this project to \$252.41 million under the New Starts program. Through FY 2002, a total of \$249.04 million has been appropriated for this project. The Administration's FY 2003 budget proposal requested \$3.37 million for this project, which would provide sufficient funds to complete the Federal funding commitment. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

Salt Lake City/CBD to University LRT

The Utah Transit Authority (UTA) has implemented a 2.5-mile, four-station light rail line in eastern Salt Lake City, from the downtown area to Rice-Eccles Stadium on the University of Utah campus. The line connects with the existing North/South line at Main Street and travels east along 400 South and 500 South to the stadium. The light rail vehicles are operating on city streets and property owned by Salt Lake City, the Utah Department of Transportation, and the University. The line is intended to significantly improve access to jobs, educational opportunities, health care, and housing throughout the 400 South corridor. The CBD to University line is scaled back from the originally proposed 10.9-mile West/East line from the airport to the university. UTA estimates ridership at 4,360 boardings per average weekday in January 2002. The line opened for service on December 15, 2001. Total capital costs are estimated at \$118.50 million.

FTA issued an FFGA for the CBD to University LRT project on August 17, 2000, committing a total of \$84.60 million in Section 5309 New Starts funds. This did not include \$4.96 million in FY 2000 and prior year funding, which brings the total amount of New Starts funding for this project to \$89.56 million. Including prior year funding, the total amount of Federal funds provided to this project through FY 2002 is \$20.80 million. An additional \$68.76 million was requested in FY 2003, which would provide sufficient funds to complete the Federal funding commitment. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

Salt Lake City/North-South LRT

The Utah Transit Authority (UTA) has completed construction of a 15-mile light rail transit (LRT) line from downtown Salt Lake City to the southern suburbs. The line opened for regular weekday service on December 6, 1999. The system operates on city streets downtown for two miles and then follows a lightly-used railroad alignment owned by UTA to the suburban community of Sandy for 13 miles. This project is one component of the Interstate 15 corridor improvement initiative, which includes reconstruction of a parallel segment of I-15. Though original ridership projections for the South LRT system estimated daily ridership at 14,000 daily passengers in 2000 and 23,000 passengers by 2010, current ridership averages 19,000 weekday passengers. Total capital costs for this project were \$312.49 million.

For the 2002 Winter Olympic and Paralympic Games, this project connected major hotels and local residential areas with the Olympic venues for figure skating, medal rounds for ice hockey, and the International Broadcast Center, and connected with bus service to venues for speed skating, curling, and the Nordic alpine events.

On August 2, 1995, FTA issued an FFGA for this project that committed a total of \$237.39 million in Federal New Starts funding. This does not include \$6.60 million in prior year funds that were provided before the FFGA was issued, which brings the total amount of Section 5309 New Starts funding to \$243.99 million. A total of \$243.28 million was appropriated in FY 2001 and prior years; no new funding was provided in FY 2002. The Administration's FY 2003 budget proposal requested \$718,006 for this project, which would provide sufficient funds to complete the Federal funding commitment. If the FY 2003 Congressional appropriation provides the amount requested for this project, additional funding will not be required in FY 2004.

Pending Federal Funding Commitments

In addition to the funding recommendations for existing Federal commitments discussed above, new commitments are pending for three additional projects. In anticipation of these commitments, FTA recommends that a total of \$139.02 million be allocated to these projects in FY 2004. These projects have been rated as "Recommended" or "Highly Recommended" under the criteria and processes specified by TEA-21. The funding recommendations described below are based on the anticipated funding needs of each project in FY 2004. All of these projects have been authorized in TEA-21 for Final Design and construction.

Los Angeles/Eastside Light Rail Transit System

The Los Angeles County Metropolitan Transportation Authority (LACMTA) is developing a 5.9-mile, eight-station light rail transit (LRT) system to serve a relatively urbanized, heavily transit-dependent area between downtown Los Angeles and East Los Angeles. The light rail is estimated to carry 15,000 average weekday boardings in 2020, including 7,600 daily new riders. Based on 1990 census data, there are an estimated 5,328 low-income households within a one-half mile radius of the transit station areas, representing 17 percent of all households located within one-half mile of the transit station areas. There are an estimated 84,000 employees within one-half mile of the transit station areas. The Los Angeles region is classified as an "extreme" area for ozone, a "serious" area for carbon monoxide and particulate matter, and as an "attainment" area for nitrogen oxides. This project, a replacement for the MOS-3 Subway project originally proposed, has a high level of support from local elected officials, businesses, and citizens.

The Eastside LRT project was originally defined in MOS-3 as a 3.7-mile heavy rail subway extension under the Los Angeles River to First and Leona Streets in East Los Angeles. On January 14, 1998, however, the LACMTA Board of Directors voted to suspend and demobilize construction on the Eastside rail project, as well as the Mid-City proposed rail construction. Following this decision, LACMTA conducted extensive alternative analyses and in October 2000, FTA approved entry into Preliminary Engineering for the Eastside light rail line. FTA approved the project into Final Design in October 2002.

Section 3030(a)(38) of TEA-21 authorizes the LACMTA Eastside LRT for Final Design and construction. In early 2002, LACMTA completed the National Environmental Policy Act processes and entered into Final Design. The total capital costs of the Eastside LRT are expected to be \$888.30 million, of which LACMTA is seeking \$491.00 million (60 percent of total cost) in Section 5309 New Starts funding. Commitment authority totaling \$647.00 million was set aside by an earlier FFGA for this and the Mid-City corridor. In FY 2001 and FY 2002, Congress appropriated a total of \$8.42 million to the Eastside LRT project. Subsequently, \$35.00 million was requested in FY 2003. FTA believes that the Eastside LRT will be sufficiently developed for an FFGA before the end of FY 2004, and therefore recommends that \$55.00 million in Section 5309 New Starts funding be provided to the Eastside LRT in FY 2004.

New Orleans/Canal Streetcar Line

The New Orleans Regional Transit Authority (RTA) is developing a 5.43-mile streetcar project in the downtown area, along the median of Canal Street. The Canal Streetcar Spine will extend

from the Canal Ferry at the Mississippi River in the central business district, through the Mid-City neighborhood to Carrollton Avenue, where one branch will continue on Canal Street to the Cemeteries and another will follow Carrollton Avenue to City Park/Beauregard Circle. The corridor is located in an existing, built-up area that was originally developed in the streetcar era. Much of the corridor lies within the central business district and historic areas, where employment and housing densities, mix of uses, and pedestrian-oriented development are generally good. The central business district includes a high-density mix of office, retail, hotels and leisure attractions. The total capital cost of this project is estimated at \$161.30 million, of which RTA is seeking \$129.05 million (80 percent) in Section 5309 New Starts funding.

RTA completed a major investment study for this project in March 1995, fulfilling the requirement for an alternatives analysis. FTA approved entry into Preliminary Engineering in September 1995, and RTA initiated Final Design activities in September 1997. Final Design is essentially complete, contracts for vehicle assembly have been awarded, and construction contracts were awarded in early 2001. RTA expects to open this line in July 2004. In 2015, RTA estimates that 31,400 average weekday boardings, including 5,300 daily new riders, will occur on the Canal Streetcar Line.

Section 3030(a)(51) of TEA-21 authorizes the New Orleans Canal Streetcar Project for Final Design and construction. In October 2002, FTA notified Congress of its intent to enter into an FFGA for this project. Through FY 2002, Congress has appropriated a total of \$70.03 million for this project; \$37.10 million was requested in FY 2003. It is recommended that \$36.02 million in Section 5309 New Starts funding be provided to the project in FY 2004.

San Diego/Oceanside-Escondido Rail Corridor

The North County Transit District (NCTD) in northern San Diego County, California is planning to convert an existing 22-mile freight railroad corridor between Oceanside and Escondido into a rail transit line. The line would run east from the City of Oceanside through the cities of Vista and San Marcos and unincorporated portions of San Diego County, to the City of Escondido, using diesel multiple unit (DMU) rail vehicles. The alignment also includes 1.7 miles of new right-of-way to serve the campus of California State University San Marcos (CSUSM). The line is located along the State Highway 78 corridor, the principal east-west corridor in the county. The complete 23.7-mile system will serve 15 stations, four of which will be located at existing transit centers. Passenger rail service will have exclusive use of the rail line during pre-defined hours of operation.

Ridership is estimated at 15,100 average weekday boardings in 2015, of which 8,600 would be daily new riders. Revenue operations are scheduled to begin in January 2004. This project will help to alleviate the heavy congestion of northern San Diego County along the Route 78 corridor. The project will serve large intermodal transit centers in both Oceanside and Escondido, and the corridor between the two contains a dispersed mix of commercial, industrial, and single- and multiple-family residential developments.

An Environmental Impact Report (EIR) for the Oceanside-Escondido project was certified in 1990, and a separate EIR for the CSUSM alignment was certified in 1991. A Major Investment Study was not required under the procedures in effect at the time, based on concurrence from FTA, FHWA, the San Diego Association of Governments, Caltrans, the City of San Marcos, and NCTD. Advance planning was completed in December 1995, and the Environmental

Assessment/Supplemental Environmental Impact Report was completed in early 1997. FTA approved NCTD's request to enter Final Design in February 2000.

Section 3030(a)(77) of TEA-21 authorized this project for Final Design and construction. FTA anticipates the issuance of an FFGA for the Oceanside-Escondido Rail Corridor project during FY 2003. The total capital cost for this project is estimated at \$332.30 million, of which NCTD is seeking \$152.10 million in FTA Section 5309 New Starts funds. Through FY 2002, Congress appropriated \$24.28 million in Section 5309 New Starts funds for this project, and an additional \$42.00 million was requested in FY 2003. It is recommended that \$48.00 million be provided for this project in FY 2004.

Proposed Funding Commitments

In addition to the funding recommendations for the existing and pending Federal commitments discussed above, four proposed projects are expected to be ready for commitments before the end of FY 2004 (i.e., September 30, 2004). In anticipation of these new commitments, FTA recommends that a total of \$235.00 million be allocated to these projects in FY 2004. These projects have been or are anticipated to be rated as "Recommended" or "Highly Recommended" under the criteria and processes specified by TEA-21. All of these projects have been authorized by TEA-21. The funding recommendations described below are based on the anticipated funding needs of each project in FY 2004.

Chicago/Ravenswood Line Expansion

The Chicago Transit Authority (CTA) is planning a series of capital improvements to enhance the operation of the Ravenswood heavy rail line, a line that currently experiences capacity problems through a high-density 9.3-mile corridor. The improvements include the expansion of existing station platforms on the line to accommodate eight-car trains, straightening of alignment curves at stations, and other infrastructure enhancements. As the existing system is over 100 years old, improvements will allow for expansion of capacity to an already strong transit corridor with crowded conditions. Based on 1990 census data, CTA estimates that there are 11,551 low-income households within a one-half mile radius of the proposed 18 stations. This represents approximately 13 percent of the total number of households within a one-half mile radius of the proposed project. CTA also estimates that the proposed Ravenswood Line Expansion would serve approximately 80,350 jobs that are located within a one-half mile radius of station areas.

The total capital costs of the Ravenswood Line Expansion project are estimated at \$529.9 million of which CTA is expected to seek \$245.50 million in Federal New Starts funding. With the consent of the region's metropolitan planning organization, CTA has committed \$134.00 million (28 percent) of FTA Section 5307 Urbanized Area Formula funds to this project. These funds have been programmed in the region's long-range transportation plan and Transportation Improvement Program.

At present, this project has been identified as "Not Rated" due to concerns about some of the information underlying the calculation of the new transportation system user benefit measure. However, based on work conducted to date, FTA believes that the remaining issues will be resolved in the very near future and the project rating is likely to support an FFGA.

Through FY 2002, a total of \$7.89 million was provided for this project. To continue progress on this project, FTA requested that a total of \$4.00 million be provided to the Ravenswood Line Expansion project in FY 2003. In FY 2004, FTA is recommending \$45.00 million in New Starts funding for this project.

Las Vegas/Resort Corridor

The Las Vegas Regional Transportation Commission of Southern Nevada (RTC) is proposing a 2.28-mile Resort Corridor Automated Guideway Transit (elevated monorail) project. The project is currently in Preliminary Engineering and is expected to move into Final Design in early 2003. The monorail will serve the Las Vegas central business district and the northern part of the resort

corridor along the Las Vegas “strip” from Fremont Street to Sahara Avenue. The Resort Corridor represents the region's largest primary employment center, as about 50 percent of the regional jobs (235,000) are located in this corridor. There are an estimated 40,730 jobs and 5,530 residents within a one-half mile from the proposed monorail boarding points. The RTC estimates the proposed system will carry approximately 38,800 weekday boardings, including 22,590 daily new riders in 2020. Based in the 1990 census data, there are an estimated

This project represents an extension to a four-mile fully automated monorail that is currently under construction by the Las Vegas Monorail Company (LVMC) without the use of New Starts funds. The first phase of the monorail is also expected to be complete in January 2004.

The estimated capital cost for the 2.3-mile Resort Corridor monorail project is estimated to be \$324.8 million, of which the RTC is seeking \$159.70 million, or 50 percent, in New Starts funding. Through FY 2002, Congress appropriated \$13.85 million in New Starts funding for this project. FTA requested that \$4.00 million of Section 5309 New Starts funding be allocated to the Las Vegas Resort Corridor in FY 2003 to continue development of this project. FTA expects this project to be sufficiently developed for an FFGA before the end of FY 2004, and is requesting \$40.00 million in FY 2004 New Starts funding for the project.

New York/East Side Access

The New York Metropolitan Transit Authority (MTA) is designing a direct access for Long Island Rail Road (LIRR) passengers to a new passenger concourse in Grand Central Terminal in east Midtown Manhattan. The four-mile, two-station commuter rail extension under the East River, using an existing rail tunnel, will increase the Long Island Rail Road (LIRR) tunnel capacity and enable the overall growth of the nation's largest commuter rail system. The project provides access to the eastern part of midtown Manhattan for users of the LIRR who now must get to east midtown by subway or walking from Penn Station. By allowing some LIRR passengers to use Grand Central Terminal (GCT), the project will free up capacity at Penn Station for New Jersey Transit and Amtrak commuter trains.

This East Side Access (ESA) project will serve the strongest transit market in the country. By 2020, it is projected that the LIRR East Side Access project will have 167,500 average weekday boardings including 15,400 daily new riders. Based on 1990 census data, MTA/LIRR estimates that there are approximately 4,443 low-income households and 698,000 jobs within a one-half mile radius of two station areas.

Construction began on the tunnels in both Manhattan and Queens in 2002. The project is scheduled for completion by December 2011 at a projected cost of \$5.30 billion. Although MTA is requesting a total of \$2.60 billion of Section 5309 New Starts funding, the amount of Federal share of the LIRR East Side Access project is still being negotiated. In addition, given the size of this project and the difficulty with dividing it into more than one operable segment, alternative funding mechanisms in lieu of a traditional FFGA are being investigated. FTA and MTA are working to identify an appropriate first phase of a funding commitment, anticipated to be ready by early FY 2003. The final amount of the funding commitment for this authorization period is still under consideration. Through FY 2002, Congress appropriated \$68.23 million in New Starts funding for the continued development of the East Side Access project. To continue progress on this project, FTA requested \$15.00 million in FY 2003 New Starts funding. FTA is recommending \$75.00 million in FY 2004 New Starts funding for this project.

Seattle/Central Link Initial Segment

Central Puget Sound Regional Transit Authority (Sound Transit) is proposing a 24-mile Central Link light rail transit (LRT) line running north to south from Northgate through downtown Seattle and Southeast Seattle to the cities of Tukwila and SeaTac, Washington. The system would operate on existing and new rights-of-way, including the existing 1.3-mile Downtown Seattle Transit Tunnel. Sound Transit plans to construct the entire system in phases. In the fall of 2001, the Sound Transit Board decided to implement the initial segment, known as the Central Link Initial Segment, a 14-mile, 11-station LRT line extending from Convention Place through downtown Seattle and terminating at South 154th Station. The Central Link Initial Segment light rail line includes 1.3 miles of exclusive transit right-of-way in the existing transit tunnel, and 1.4 miles of right-of-way reconfigured from an existing busway south of Downtown. The system is forecast to have 42,500 average weekday boardings in 2020, including 29,000 daily new riders. Total capital cost is estimated at \$2,491.6 million, of which Sound Transit is expected to seek \$500.00 million in Section 5309 New Starts funding.

In July 1997, FTA approved the Link LRT project to enter Preliminary Engineering. A Draft Environmental Impact Statement (DEIS) was published in December 1998. The Final EIS was completed in November 1999. FTA issued a Record of Decision in January 2000. The Sound Transit Board formally adopted a 7.2-mile initial Minimum Operable Segment, known as the MOS-1, for Federal participation in November 1999. FTA approved the project's advancement into Final Design in February 2000. Based on increased costs for tunneling, right-of-way, mitigation, and other factors, Sound Transit increased the total project cost for the former MOS-1 and rescheduled the revenue operations date. FTA entered into a Full Funding Grant Agreement for the former MOS-1 in January 2001.

After Congress and the U.S. Department of Transportation's Office of Inspector General raised significant questions about project costs, the Sound Transit Board directed staff to re-examine the entire MOS-1 project to determine if a portion of the 20-mile Locally Preferred Alternative could be identified as a new initial segment, or if MOS-1 could be redefined to reduce risks and better meet budget limitations. During the re-examination, the Sound Transit Board maintained its commitment to build the entire alignment. In September 2001, the Sound Transit Board identified the Central Link Initial Segment from Convention Place to South 154th Station as a new MOS.

TEA-21 Section 3030(a)(85) authorizes the "Seattle Sound Move Corridor (Link and Sounder)" project for Final Design and construction. The Central Link Initial Segment light rail transit line is the initial segment of this project. Through FY 2002, Congress appropriated \$90.97 million for this project. No funding was requested for this project in FY 2003. In FY 2004, FTA is recommending a total of \$75.00 million for the Seattle Central Link Initial Segment.

Conclusion

The proposed New Starts funding level of \$1,514.92 million is based on the Administration's proposed funding levels for FY 2004. After setting aside one percent of these funds (\$15.15 million) for oversight activities as specified in the Administration's FY 2002 budget proposal and approved by P.L. 107-87, \$10.30 million for ferry capital projects in Alaska or Hawaii, and \$121.19 million for projects currently in Final Design or Preliminary Engineering, \$1,368.28 million is available for project grants. FTA recommends the following allocation of these project grant funds in FY 2004:

- A total of \$994.26 million for nineteen projects with existing FFGAs which commits FTA to provide specific levels of major capital investment funding.
- A total of \$139.02 million for three projects for which new FFGAs are pending, and which were recommended in the last Annual New Starts report.
- A total of \$235.00 million for four proposed projects that are expected to be ready for FFGA commitments before the end of FY 2004.

Appendix A

Background

The project profiles presented in this Appendix provide background information supporting the Department of Transportation's New Starts Program funding recommendations for FY 2004. The Department's funding recommendations are being provided to the Congress pursuant to 49 U.S.C. 5309(o)(1). The funding recommendations are based on the decision criteria defined in 49 U.S.C. 5309(e).

Under 49 U.S.C. 5309(e), discretionary capital grants and loans for the construction of a new fixed guideway system or the extension of an existing system may be made only if the Secretary determines that the proposed project is:

1. based on the results of an alternatives analysis and Preliminary Engineering;
2. justified based on a comprehensive review of its mobility improvements, environmental benefits, cost effectiveness, and operating efficiencies; and
3. supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, maintain, and operate the system or extension.

The 49 U.S.C. 5309(e) criteria provide a basis for selecting, from among the eligible projects, those which are the most worthy of Federal funds. To this end, the New Starts project profiles describe the fixed guideway projects that are most advanced, and evaluate them in terms of the 5309(e) criteria.

This *Annual Report on New Starts* includes profiles for each proposed project or study undergoing Final Design and Preliminary Engineering. In addition to providing information to Congress, the document serves as guidance to project sponsors, so that improvements can be made. Since projects can be expected to continue to change as they progress through the development process, the ratings for projects that are not yet recommended for full funding grant agreements should not be construed as a statement about the ultimate merits of the project, but, rather, an assessment of the project's current strengths and weaknesses.

Profiles for projects that are under construction have also been included in this report if additional funds are needed in FY 2004 to fulfill Full Funding Grant Agreements.

In general, the profiles for projects in Final Design and Preliminary Engineering include five sections. These are:

- **Description:** This section briefly describes a project's physical characteristics and transportation benefits, and presents the latest estimates of cost and ridership. Unless otherwise noted, cost estimates are expressed in escalated (year of construction) dollars. This section includes a summary description of key project elements. *This section also includes the summary rating of "Highly Recommended," "Recommended," or "Not Recommended" assigned to the proposed project, as well as the overall ratings for project justification and local financial commitment.*
- **Status:** This section identifies where the project is in the major investment planning and project development process. It indicates, for example, whether alternatives analysis (or a major investment study) and Preliminary Engineering have been completed. If also

indicates when current studies are expected to be completed. Relevant statutory requirements are also noted here.

- **Evaluation:** This section presents an evaluation of the project's merit based on the criteria cited in 49 U.S.C. 5309(e) and FTA's Final Rule on New Starts project evaluation and rating, which became effective April 6, 2001. Ratings and data are reported for the following criteria: mobility improvements, environmental benefits, operating efficiencies, and cost effectiveness. This section also includes FTA's rating of the project in terms of transit-supportive existing land use and future patterns.
- **Local Financial Commitment:** This section reports FTA's ratings of the proposed non-Section 5309 share of total project capital costs, the stability and reliability of the capital financing plan, and the stability and reliability of the operating financing plan.
- **Other Factors (Optional):** Other rating factors which may be relevant to evaluating the merit of the project are described in this section.

The profiles for projects covered by Full Funding Grant Agreements include only the description and status sections, because projects are not re-evaluated once a funding agreement is in place.

How the Ratings were Developed

As part of the normal system planning and project development process, local agencies develop the information that FTA uses to assess projects in terms of project evaluation and local financial commitment. The specific information used for these evaluations is outlined below.

Project Evaluation and Ratings

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) greatly broadened the criteria to evaluate New Starts projects. The Section 5309 New Starts criteria were updated in Federal Register Notices on December 19, 1996 and November 12, 1997. TEA-21 left prior Federal law and policy largely intact, including the New Starts criteria and the multiple-measure method of project evaluation. This year's evaluations and ratings address the full range of project evaluation criteria, including: mobility improvements, environmental benefits, operating efficiencies, cost effectiveness, transit-supportive existing land use and future patterns, local financial commitment, and other factors.

In September 1997, the Federal Transit Administration's Office of Planning and the Office of Budget and Policy released the *Technical Guidance on Section 5309 New Starts Criteria*. In October 1998, July 1999, and July 2000, FTA issued revised documentation of the *Technical Guidance on Section 5309 New Starts Criteria* to reflect lessons learned. In June 2002, FTA issued updated guidance entitled *Reporting Instructions for the Section 5309 New Starts Criteria*. In addition, since 1998 FTA has offered several national workshops annually to offer technical assistance.

On December 7, 2000, FTA published its Final Rule on New Starts project evaluation and rating in the Federal Register at 65 FR 76864. This regulation is required by Section 3009 of TEA-21, and governs how FTA will evaluate and rate new fixed-guideway transit systems and extensions that are proposed for section 5309 New Starts funding. It replaces the procedures set forth in the December 19, 1996 policy statement [61 FR 67093], as amended on November 12, 1997 [62 FR 60756]. The regulation became effective on April 6, 2001.

This regulation retains the familiar "multiple-measure method" of project evaluation used by FTA to evaluate proposed New Starts projects since 1994. It describes how each of the statutory

project evaluation criteria will be evaluated; defines the overall project ratings of “Highly Recommended,” “Recommended,” and “Not Recommended”; and, defines how these ratings will be used to approve entry into the Preliminary Engineering and Final Design stages of project development. It is important to note that the purpose of this Rule is to regulate how FTA will evaluate and rate proposed projects for purposes of the Section 5309 New Starts program; it does not regulate the transit industry or other sponsors of New Starts projects, though it may affect the type of information FTA requests for evaluation purposes. As in the past, FTA will continue to issue guidance and work with project sponsors as we implement this rule.

For each of the project justification criteria (mobility improvements, environmental benefits, operating efficiencies, cost effectiveness), the proposed project is evaluated against a New Starts baseline, which represents low cost improvements that are cost effective compared to the New Starts project. Such a comparison results in a more accurate portrayal of the benefits of the New Starts project. For each proposed project, FTA assigns a rating of “high,” “medium-high,” “medium,” “low-medium,” or “low” for each of the five criteria (the four above plus land use), with “other factors” considered as appropriate. Similar ratings are assigned for the three factors used to evaluate local financial commitment, including the non-Section 5309 share, the capital financing plan, and the operating financing plan. Consistent with Section 5309(e)(6), summary ratings of “Highly Recommended,” “Recommended,” or “Not Recommended” are assigned to each proposed project, based on the results of the review and evaluation of each of the criteria for project justification and local financial commitment. To assign these summary ratings, the individual ratings for each of the project justification criteria and financial rating factors are combined into overall “project justification” and “finance” ratings, which in turn are combined to produce the summary rating for the project.

In evaluating the project justification criteria, FTA gives primary consideration to the measures of transit supportive land use, cost effectiveness, and mobility to arrive at the combined “project justification” rating. In rating local financial commitment, the proposed non-Section 5309 share of capital costs, and the strength of the capital and operating financing plans are the primary factors in determining the combined “finance” rating. Projects must also receive at least a “medium” rating for both capital and operating finance in order to receive a “medium” rating for the overall local financial commitment rating.

For a proposed project to be rated as “Recommended,” it must be rated at least “medium” in terms of both project justification and finance. To be “Highly Recommended,” a proposed project must be rated higher than “medium” for both project justification and finance. Proposed projects not rated at least “medium” in both project justification and finance are rated as “Not Recommended.”

As in previous reports, FTA has identified several projects as “Not Rated.” This year, “Not Rated” indicates that FTA has serious concerns about the information submitted for mobility improvements and cost effectiveness because the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. The principal source of inconsistencies has been in the definitions of the baseline alternative and the proposed New Starts project. These inconsistencies have made it impossible to isolate the impacts of the proposed project in terms of ridership, transportation benefits, operating and maintenance costs, capital costs, and cost-effectiveness. FTA will continue to work with project

sponsors to validate assumptions, information, and projections. A rating for these projects will be made available to Congress and other interested parties when the issues are resolved.

In addition, in a few cases, project information has not yet been submitted by the project sponsor for FTA evaluation. In some cases, this is because the project has recently moved into preliminary engineering or become non-exempt. In others, the project sponsor, for a variety of reasons, has not submitted updated information for evaluation. The rating for all of these projects is noted as "Not Yet Available." Like projects identified as "Not Rated," ratings for these projects will be made available to Congress and other interested parties when information is submitted and the project evaluation is complete.

It is important to note that project evaluation is an ongoing process. The project ratings contained in this report are based on project information available through November 2002. As proposed New Starts projects proceed through the project development process, the estimates of costs, benefits, and impacts are refined. The FTA ratings and recommendations will be updated annually to reflect new information, changing conditions, and refined financing plans.

The U.S. Department of Transportation's Major Capital Investment Projects Final Rule, published on December 7, 2000, specifies FTA's approach to project evaluation and assignment of summary ratings that are effective April 6, 2001. The project ratings contained in this report incorporate changes introduced in the Final Rule, most significantly the change that ratings for many of the criteria are based on a comparison of the proposed New Starts project to a single baseline (as opposed to the previous comparison to both the no-build and the transportation systems management alternatives), and the use of transportation system user benefits for cost effectiveness and mobility improvements ratings.

Section 5309 New Starts Criteria

A brief description of the Section 5309 New Starts criteria applied in project evaluation follows. For the first four criteria, the values are derived from comparing the New Starts project to the baseline alternative. This year, FTA has changed its measure used for two of the project justification factors: mobility improvements and cost effectiveness. The new measure, transportation system user benefits, quantifies travel-related benefits in terms of hours of travel-time saved for all users of the transit system (both existing riders and new riders). For mobility improvements, this measure replaces hours of travel-time savings for transit trips. For cost effectiveness, it replaces the number of new transit trips. Transportation system user benefits represents a broader set of benefits to transit riders – including reductions in walk times, wait times, ride times, number of transfers, and any other attribute employed in local ridership-forecasting procedures – in terms of travel-time savings.

Mobility Improvements

Mobility improvements are based on two measures. The first is the transportation system user benefits per project passenger mile. It is derived by dividing the user benefits for all users of the transit system by passenger miles traveled on the New Starts project. The second measure has not changed from last year. It reflects the number of low-income households and total employment within one-half mile of a station or stop of the New Starts project. Low income is defined as the number of households below the poverty level. This measure is reported for stations or stops directly related to the proposed fixed guideway project or system.

Environmental Benefits

The first measure is the *Change in Criteria Pollutant Emissions and Greenhouse Gas Emissions in the Forecast Year*, comparing the New Starts project to the baseline. The measure is expressed as the change in the number of tons of emissions for carbon monoxide (CO), nitrogen oxides (NO_x), volatile organic compounds (VOC) or hydrocarbons (HC), particulate matter (PM₁₀), and carbon dioxide (CO₂).

Energy consumption is measured as the *Net Change in the Forecast Year in the Regional Consumption of British Thermal Units (BTU)*, comparing the New Starts project to the baseline.

The third measure includes the *Current Regional Designation by the Environmental Protection Agency (EPA) for National Ambient Air Quality Standards*.

Operating Efficiencies

The measure for this criterion reports the *Change in Operating Cost per Passenger-Mile in the Forecast Year*, comparing the New Starts project to the baseline. This measure, expressed in terms of absolute dollar value, is to address the impact on operating efficiencies for the entire regional transit system.

Cost-Effectiveness

The measure of cost effectiveness is the incremental cost of the project divided by its hours of transportation system user benefits compared to the baseline. It is reported in units of dollars per hour. Cost is defined as the annualized capital cost plus annual operating and maintenance costs. Transportation system user benefit is defined as all annual travel-related benefits in terms of hours for all users of the transit system (both existing riders and new riders). For informational purposes, FTA has included the measure used for cost effectiveness last year, cost per new transit trip, in the profile of each project. FTA has considered only the cost per hour measure in the development of project ratings.

Transit Supportive Existing Land Use and Future Patterns

Assessment of land use was introduced in the spirit of ISTEA, continued in TEA-21, and is consistent with FTA initiatives to encourage transit supportive land use and development. The measure, expressed in terms of a combined rating of "high," "medium-high," "medium," "low-medium," or "low," addresses the degree to which existing development patterns and local land use policies are likely to foster transit supportive land use. The combined rating considers each of the following factors: existing land use; growth management policies; transit-supportive corridor policies; supportive zoning regulations; tools to implement land use policies; and, performance of land use policies.

Local Financial Commitment

FTA's evaluation of the local financial commitment to a proposed project focuses on the proposed non-Section 5309 share of project costs, the strength of the proposed capital financing plan, and the stability and reliability of the operating financing plan.

Non-Section 5309 share refers to the percentage of capital costs to be met with non-Federal funding, particularly non-Section 5309 New Starts funding, and includes both the local match

required by Federal law and any additional capital matching funds. Local or other non-New Starts matching funds above the level required are accounted for in the rating process because they reduce the required Federal New Starts commitment and because they indicate a stronger local commitment to the project. Previous non-Federal funding support for other significant fixed guideway systems implemented in the area is also considered, though not counted toward the calculation of share. The use of flexible funds and innovative financing techniques is noted, where appropriate. Non-Section 5309 share is rated “high,” “medium-high,” “medium,” “low-medium,” or “low.”

FTA continues to encourage project sponsors to request a Federal New Starts funding share that is as low as possible. The Conference Report that accompanied the FY 2002 Department of Transportation Appropriations Act instructs “FTA not to sign any new full funding grant agreements after September 30, 2002 that have a maximum Federal share of higher than 60 percent.” Consistent with this Congressional direction, projects seeking a Federal New Starts share over 60 percent have been given a “low” rating for local financial commitment, which results in a “Not Recommended” rating. In addition, the Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY 2004. None of the four new projects recommended for funding in the President’s FY 2004 budget and this report has a proposed Federal New Starts share greater than 50 percent.

The evaluation of each project’s proposed capital financing plan takes two principal forms. First, the plan is reviewed to determine the stability and reliability of each proposed source of local match. This includes a review of inter-governmental grants, tax sources, and debt obligations. Each revenue source is reviewed for availability within the project timetable. Second, the financing plan is evaluated to determine if adequate provisions have been made to cover unanticipated cost overruns. The strength of the capital finance plan is rated “high,” “medium-high,” “medium,” “low-medium,” or “low.” The indicators used to assign these ratings are further explained in Table A-1.

The third component of the financial rating is an assessment of the ability of the local transit agency to fund operation of the entire transit system as planned once the guideway project is built. This rating focuses on the operating revenue base and its ability to expand to meet the incremental operating costs associated with a new fixed guideway investment and any other new services and facilities. The strength of the operating finance plan is rated “high,” “medium-high,” “medium,” “low-medium,” or “low.” The indicators used to assign these ratings are further explained in Table A-2.

Other Factors (Optional)

This criterion has traditionally been included as an option to provide an opportunity to identify any additional factors that may be relevant to local and national priorities and relevant to the success of the project.

Table 1-A: Summary of New Starts Project Ratings for

Table 1-A: Summary of New Starts Project Ratings for Fiscal Year 2004 Budget						
Phase and City (Project)	Total Capital Cost(millions)	Total Sect. 5309 Funding Requested(millions)	Section 5309 Funds Share of Capital Costs	Overall Project Rating	Financial Rating	Project Justification Rating
Final Design						
Baltimore, MARC Penn-Camden Connection (2)	\$30.8(YOE)	\$12.4	40%	Exempt	Exempt	Exempt
Chicago, Ravenswood Expansion Project (3)	\$529.9 (YOE)	\$245.5	46%	Not Rated	Medium	Not Rated
Cleveland, Euclid Corridor Transportation Project	\$245.7 (YOE)	\$122.8	50%	Recommended	Medium	Medium
Galveston, Rail Trolley Extension (2)	\$9.4 (YOE)	\$8.3	88%	Exempt	Exempt	Exempt
Girdwood, Alaska Railroad - South Anchorage Double Track (2)	\$7.0 (YOE)	\$5.6	80%	Exempt	Exempt	Exempt
Girdwood, Alaska Railroad - Eagle River to Knik River Track Improvements (2)	\$12.5 (YOE)	\$10.0	80%	Exempt	Exempt	Exempt

Girdwood, Alaska Railroad - Knik River to Wasilla Track Improvements (2)	\$11.3 (YOE)	\$9.0	80%	Exempt	Exempt	Exempt
Little Rock, River Rail Project (2)	\$15.1 (YOE)	\$8.6	57%	Exempt	Exempt	Exempt
Los Angeles, LOSSAN Rail Corridor Improvements (2)	\$27.2 (YOE)	\$10.0	37%	Exempt	Exempt	Exempt
Nashville, East Corridor Commuter Rail (2)	\$37.6 (YOE)	\$23.0	61%	Exempt	Exempt	Exempt
New York, Long Island Rail Road East Side Access	\$5,264.0 (YOE)	\$2,632.0	50%	Recommended	Medium	Medium-High
Pawtucket, Commuter Rail Improvement Program (2)	\$18.5 (YOE)	\$10.0	54%	Exempt	Exempt	Exempt
Prince William, Alaska Marine Highway System (2)	\$38.5 (YOE)	\$24.9	65%	Exempt	Exempt	Exempt
Seattle, Central Link Initial Segment	\$2,491 (YOE)	\$500.0	20%	Highly Recommended	Medium-High	Medium-High
Preliminary Engineering						
Boston, Silver Line Phase III (4)	\$951.9 (YOE)	\$571.1	60%	Recommended	Medium	Medium
Bridgeport, Intermodal Transportation Center (2)	\$62.4 (YOE)	\$24.9	40%	Exempt	Exempt	Exempt

Burlington, Burlington-Essex Commuter Rail Project (2)	\$25.2 (YOE)	\$19.4	77%	Exempt	Exempt	Exempt
Charlotte, South Corridor LRT	\$370.8 (YOE)	\$185.4	50%	Recommended	Medium-High	Medium
Cincinnati, Interstate 71 Corridor LR	\$899.9 (YOE)	\$449.9	50%	Not Recommended (OC)	Low-Medium	Medium
Columbus, North Corridor LRT	\$501.8 (YOE)	\$250.9	50%	Recommended	Medium	Medium-High
Dallas, Northwest/Southeast Light Rail MOS	\$1,237.5 (YOE)	\$500.0	40%	Recommended	Medium	Medium
Denver, West Corridor LRT (4)	\$686.6 (YOE)	\$412.0	60%	Recommended	Medium	Medium
Fort Collins, Mason Street Transportation Corridor(4, 5, 6)	\$66.0 (YOE)	\$52.3	79%	Not Recommended	Low	Not Rated
Harrisburg, CORRIDORone Rail MOS (2)	\$75.8 (YOE)	\$24.9	33%	Exempt	Exempt	Exempt
Hartford, New-Britain - Hartford Busway (7)	\$160.0 (YOE)	\$79.4	50%	Not Rated	Medium	Not Rated
Honolulu, Primary Corridor Transportation Project	\$700.5 (YOE)	\$231.6	33%	Recommended	Medium	High
Johnson County, I-35 Commuter Rail (2)	\$30.9 (YOE)	\$24.8	80%	Exempt	Exempt	Exempt

Las Vegas, Resort Corridor Fixed Guideway	\$324.8(YOE)	\$159.7	49%	Recommended	Medium	Medium-High
Los Angeles, Mid-City/Exposition LRT (7)	\$631.5 (YOE)	\$315.6	50%	Not Rated	Medium	Not Rated
Lowell, MA- Nashua NH, Commuter Rail Extension (2)	\$40.7 (YOE)	\$18.0	44%	Exempt	Exempt	Exempt
Miami, North Corridor Metrorail Extension	731.9 (YOE)	\$365.9	50%	Not Recommended (OC)	Low-Medium	Medium
Minneapolis, Northstar Corridor Rail Project (8)	\$301.9 (YOE)	\$150.9	50%	Not Recommended (C)	Low-Medium	Not Rated
New Orleans, Desire Corridor Streetcar (4)	\$116.1 (YOE)	\$69.7	60%	Not Recommended (J)	Medium	Low-Medium
New York, Second Avenue Subway	\$16,809.0 (YOE)	\$8,404.0	50%	Recommended	Medium	Medium
Norfolk, Norfolk LRT	\$222.0 (YOE)	\$111.0	50%	Not Recommended (J)	Medium	Low-Medium
Orange County, Centerline LRT Project (7)	\$2,110.7 (YOE)	\$1,055.4	50%	Not Rated	Medium-High	Not Rated
Philadelphia, Schuylkill Valley MetroRail (4, 5)	\$1,831.7 (YOE)	\$1,465.4	80%	Not Recommended (C)	Low	Medium
Phoenix, Central Phoenix/East Valley Corridor	\$1,183.5 (YOE)	\$591.7	50%	Highly Recommended	Medium-High	Medium-High

Pittsburgh, North Shore Connector LRT (4)	\$389.9 (YOE)	\$233.9	60%	Not Recommended (OC)	Low-Medium	Medium
Raleigh, Phase I Regional Rail Project (4)	\$832.2 (YOE)	\$447.0	54%	Recommended	Medium	Medium
San Diego, Mid-Coast Corridor (7)	\$134.2 (YOE)	\$65.8	49%	Not Rated	Medium-High	Not Rated
San Francisco, New Central Subway Project (4, 5, 9)	\$763.8 (YOE)	\$531.7	70%	Not Recommended	Low	Not Yet Available
San Juan, Tren Urbano Minillas Extension (4, 5, 6)	\$561.5 (YOE)	\$449.2	80%	Not Recommended	Low	Not Submitted
Santa Clara County, Silicon Valley Rapid Transit Corridor (9)	\$4,770.0 (YOE)	\$973.0	20%	Not Yet Available	Medium	Not Yet Available
Seattle, Everett-to-Seattle Commuter Rail (2)	\$104.0 (YOE)	\$24.9	24%	Exempt	Exempt	Exempt
Seattle, Lakewood-to-Tacoma (2)	\$86.0 (YOE)	\$24.9	29%	Exempt	Exempt	Exempt
Silver Spring, Silver Spring Intermodal Transit Center (2)	\$33.3 (YOE)	\$16.0	48%	Exempt	Exempt	Exempt
Stamford, Urban Transitway and Intermodal Transportation Center Improvements (2)	\$24.0 (YOE)	\$18.0	75%	Exempt	Exempt	Exempt
Tampa Bay, Tampa	\$1,455.5	\$727.7	50%	Not Recommended	Low-	Not Yet

Bay Regional Rail (9)	(YOE)			d (OC)	Medium	Available
Washington, Dulles Corridor Bus Rapid Transit (4, 5)	\$357.1 (YOE)	\$214.3	60%	Recommended	Medium	Medium
Washington, MARC Mid-Day Storage Facility (2)	\$26.6 (YOE)	\$9.9	37%	Exempt	Exempt	Exempt
Washington County, Wilsonville to Beaverton Commuter Rail Project (4, 5, 9)	\$120.0 (YOE)	\$72.0	60%	Not Yet Available	Medium	Not Yet Available

"N/A" = Not Available, "J" represents the Project Justification Rating, "O" represents the Operating Finance Rating, "C" represents the Capital Finance Rating.

(1) The following projects did not submit New Starts criteria for the FY 2004 Annual Report on New Starts: Austin Rapid Transit Project MOS, Louisville Transportation Tomorrow South Central Corridor LRT, Seattle Airport Link and the Seattle North Link. Thus, these projects are not shown on the table.

(2) This project has not been rated; under §5309(e)(8)(A), proposed New Starts projects requiring less than \$25.00 million in §5309 New Starts funding are exempt from the project evaluation and rating process.

(3) FTA and the project sponsor were unable to successfully implement the software necessary to calculate the user benefit information for this project. However, FTA and the project sponsor have calculated an estimate of user benefits, which we believe to be reasonable and which would result in a "Recommended" rating for the project. FTA will continue to work with the project sponsor to implement the software and confirm this estimate.

(4) The Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY2004. Future ratings of these projects would be affected by that change.

(5) The Conference Report accompanying the FY 2002 Department of Transportation Appropriations Act instructs that, as of October 1, 2002, no new Full Funding Grant Agreements may be executed with a Federal New Starts share greater than 60 percent. Accordingly, in the future, project financial ratings will reflect this Congressional instruction at all stages of project development.

(6) The project sponsor did not submit information for this measure.

(7) This project was "Not Rated" for project justification, mobility, cost-effectiveness and the overall rating because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(8) This project was "Not Rated" for project justification, mobility, and cost-effectiveness because

FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(9) Projects not submitting transportation system user benefit information have been rated "Not Yet Available" for the project justification, mobility and overall rating.

Table 1-B: Summary of FY 2004 New Starts Ratings

[illegible]

Little Rock, River Rail Project (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Los Angeles, LOSSAN Rail Corridor Improvements (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Nashville, East Corridor Commuter Rail (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
New York, Long Island Rail Road East Side Access	<i>Recommended</i>	Medium	Medium-High	Medium	Medium-High	High	High	Medium	Medium	High
Pawtucket, Commuter Rail Improvement Program (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Prince William, Alaska Marine Highway System (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Seattle, Central Link Initial Segment	<i>Highly Recommended</i>	Medium-High	Medium-High	Medium-High	Medium-High	Medium	Medium	Medium	Medium	Medium-High
Preliminary Engineering										
Boston, Silver Line Phase III (4)	<i>Recommended</i>	Medium	Medium	Medium	Medium	High	High	Medium	Low	High
Bridgeport, Intermodal Transportation Center (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Burlington, Burlington-Essex Commuter Rail Project (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Charlotte, South Corridor LRT	<i>Recommended</i>	Medium-High	Medium-High	Medium-High	Medium	Medium	Medium	Medium	Medium	Medium

[illegible]

Extension (2)										
Miami, North Corridor Metrorail Extension (2)	<i>Not Recommended</i>	Low-Medium	Low-Medium	Low-Medium	Medium	Medium	Medium	Medium	Medium	Low-Medium
Minneapolis, Northstar Corridor Rail Project (8)	<i>Not Recommended</i>	Low-Medium	Low-Medium	Medium	Not Rated	Not Rated	Medium-High	Medium	Not Rated	Medium-High
New Orleans, Desire Corridor Streetcar (4)	<i>Not Recommended</i>	Medium	Medium	Medium	Low-Medium	Low-Medium	Medium	Medium	Low	Medium
New York, Second Avenue Subway	<i>Recommended</i>	Medium	Medium	Medium	Medium	Medium-High	High	Medium	Low	High
Norfolk, Norfolk LRT	<i>Not Recommended</i>	Medium	Medium	Medium	Low-Medium	Low-Medium	Medium	Medium	Low	Medium
Orange County, Centerline LRT Project (7)	<i>Not Rated</i>	Medium-High	Medium-High	Medium-High	Not Rated	Not Rated	High	Medium	Not Rated	Medium
Philadelphia, Schuylkill Valley MetroRail (4, 5)	<i>Not Recommended</i>	Low	Low-Medium	Medium	Medium	Medium	High	Medium	Low-Medium	Medium-High
Phoenix, Central Phoenix/East Valley Corridor	<i>Highly Recommended</i>	Medium-High	Medium-High	Medium-High	Medium-High	Medium	High	Medium	Medium-High	Medium
Pittsburgh, North Shore Connector LRT (4)	<i>Not Recommended</i>	Low-Medium	Low-Medium	Low-Medium	Medium	Medium-High	Medium-High	Medium	Low	Medium-High
Raleigh, Phase I Regional Rail Project (4)	<i>Recommended</i>	Medium	Medium-High	Medium	Medium	Low-Medium	Medium	Medium	Medium	Medium
San Diego, Mid-Coast Corridor (7)	<i>Not Rated</i>	Medium-High	Medium-High	Medium-High	Not Rated	Not Rated	High	Medium	Not Rated	Medium
San Francisco, New Central Subway Project (4, 5, 9)	<i>Not Recommended</i>	Low	Medium	Medium	Not Yet Available	Not Rated	Medium-High	Medium	Not Rated	High

San Juan, Tren Urbano Minillas Extension (4, 5, 6)	<i>Not Recommended</i>	Low	Low-Medium	Low-Medium	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
Santa Clara County, Silicon Valley Rapid Transit Corridor (9)	<i>Not Yet Available</i>	Medium	Medium	Medium	Not Yet Available	Not Rated	Medium-High	Medium	Not Rated	Medium-High
Seattle, Everett-to-Seattle Commuter Rail (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Seattle, Lakewood-to-Tacoma (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Silver Spring, Silver Spring Intermodal Transit Center (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Stamford, Urban Transitway and Intermodal Transportation Center Improvements (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Tampa Bay, Tampa Bay Regional Rail (9)	<i>Not Recommended</i>	Low-Medium	Low-Medium	Low-Medium	Not Yet Available	Medium-High	Medium	Medium	Not Rated	Medium
Washington, Dulles Corridor Bus Rapid Transit (4, 5)	<i>Recommended</i>	Medium	Medium	Medium	Medium	Medium	High	Medium	Medium	Medium
Washington, MARC Mid-Day Storage Facility (2)	<i>Exempt</i>	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Washington County, Wilsonville to Beaverton Commuter Rail	<i>Not Yet Available</i>	Medium	Medium	Medium	Not Yet Available	Not Rated	Medium	Medium	Not Rated	Medium-High

Project (4, 5, 9)										
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"N/A" = Not Available, "J" represents the Project Justification Rating, "O" represents the Operating Finance Rating, "C" represents the Capital Finance Rating.

(1) The following projects did not submit New Starts criteria for the FY 2004 Annual Report on New Starts: Austin Rapid Transit Project MOS, Louisville Transportation Tomorrow South Central Corridor LRT, Seattle Airport Link and the Seattle North Link. Thus, these projects are not shown on the table.

(2) This project has not been rated; under ??5309(e)(8)(A), proposed New Starts projects requiring less than \$25.00 million in ??5309 New Starts funding are exempt from the project evaluation and rating process.

(3) FTA and the project sponsor were unable to successfully implement the software necessary to calculate the user benefit information for this project. However, FTA and the project sponsor have calculated an estimate of user benefits, which we believe to be reasonable and which would result in a "Recommended" rating for the project. FTA will continue to work with the project sponsor to implement the software and confirm this estimate.

(4) The Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY2004. Future ratings of these projects would be affected by that change.

(5) The Conference Report accompanying the FY 2002 Department of Transportation Appropriations Act instructs that, as of October 1, 2002, no new Full Funding Grant Agreements may be executed with a Federal New Starts share greater than 60 percent. Accordingly, in the future, project financial ratings will reflect this Congressional instruction at all stages of project development.

(6) The project sponsor did not submit information for this measure.

(7) This project was "Not Rated" for project justification, mobility, cost-effectiveness and the overall rating because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(8) This project was "Not Rated" for project justification, mobility, and cost-effectiveness because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(9) Projects not submitting transportation system user benefit information have been rated "Not Yet Available" for the project justification, mobility and overall rating.

Table 1-C: Summary of FY2004 New Starts Ratings

Table 1-C: Summary of FY2004 New Starts Ratings

Phase and City (Project)	Financial Rating	Financial Rating Criteria		
		Section 5309 Funds as Share of Capital Costs	Capital Finance Rating	Operating Finance Rating
Final Design				
Baltimore, MARC Penn-Camden Connection (2)	Exempt	N/A	Exempt	Exempt
Chicago, Ravenswood Line Expansion (3)	Medium	46%	Medium	Medium-High
Cleveland, Euclid Corridor Transportation Project	Medium	50%	Medium	Medium
Galveston, Rail Trolley Extension (2)	Exempt	88%	Exempt	Exempt
Girdwood, Alaska Railroad - South Anchorage Double Track (2)	Exempt	80%	Exempt	Exempt
Girdwood, Alaska Railroad - Eagle River to Knik River Track Improvements (2)	Exempt	80%	Exempt	Exempt
Girdwood, Alaska Railroad - Knik River to Wasilla Track Improvements (2)	Exempt	80%	Exempt	Exempt
Little Rock, River Rail Project (2)	Exempt	57%	Exempt	Exempt
Los Angeles, LOSSAN Rail Corridor Improvements (2)	Exempt	37%	Exempt	Exempt
Nashville, East Corridor Commuter Rail (2)	Exempt	61%	Exempt	Exempt
New York, Long Island Rail Road East Side Access	Medium	50%	Medium-High	Medium

Pawtucket, Commuter Rail Improvement Program (2)	<i>Exempt</i>	54%	Exempt	Exempt
Prince William, Alaska Marine Highway System (2)	<i>Exempt</i>	65%	Exempt	Exempt
Seattle, Central Link Initial Segment	<i>Medium-High</i>	20%	Medium-High	Medium-High
Preliminary Engineering				
Boston, Silver Line Phase 3 (4)	<i>Medium</i>	60%	Medium	Medium
Bridgeport, Intermodal Transportation Center (2)	<i>Exempt</i>	40%	Exempt	Exempt
Burlington, Burlington-Essex Commuter Rail Project (2)	<i>Exempt</i>	77%	Exempt	Exempt
Charlotte, South Corridor LRT	<i>Medium-High</i>	50%	Medium-High	Medium-High
Cincinnati, Interstate 71 Corridor LR	<i>Low-Medium</i>	50%	Medium	Medium
Columbus, North Corridor LRT	<i>Medium</i>	50%	Medium	Medium
Dallas, Northwest/Southeast Light Rail MOS	<i>Medium</i>	40%	Medium-High	Medium
Denver, West Corridor LRT (4)	<i>Medium</i>	60%	Medium	Medium
Fort Collins, Mason Street Transportation Corridor (4, 5, 6)	<i>Low</i>	79%	Medium	Not Submitted
Harrisburg, CORRIDORone Rail MOS (2)	<i>Exempt</i>	33%	Exempt	Exempt
Hartford, New Britain - Hartford Busway (7)	<i>Medium</i>	50%	Medium	Medium
Honolulu, Primary Corridor Transportation Project	<i>Medium</i>	33%	Medium	Medium

Johnson County, I-35 Commuter Rail (2)	<i>Exempt</i>	80%	Exempt	Exempt
Las Vegas, Resort Corridor Fixed Guideway	<i>Medium</i>	49%	Medium	Medium
Los Angeles, Mid-City/Exposition LRT (7)	<i>Medium</i>	50%	Medium	Medium
Lowell, MA-Nashua, NH, Commuter Rail Extension (2)	<i>Exempt</i>	44%	Exempt	Exempt
Miami, North Corridor Metrorail Extension	<i>Low-Medium</i>	50%	Low-Medium	Low-Medium
Minneapolis, Northstar Corridor Rail Project (8)	<i>Medium</i>	50%	Medium	Medium
New Orleans, Desire Corridor Streetcar (4)	<i>Medium</i>	60%	Medium	Medium
New York, Second Avenue Subway	<i>Medium</i>	50%	Medium	Medium
Norfolk, Norfolk LRT	<i>Medium</i>	50%	Medium	Medium
Orange County, Centerline LRT Project (7)	<i>Medium-High</i>	50%	Medium-High	Medium-High
Philadelphia, Schuylkill Valley MetroRail (4, 5)	<i>Low</i>	80%	Low-Medium	Medium
Phoenix, Central Phoenix/East Valley Corridor	<i>Medium-High</i>	50%	Medium-High	Medium-High
Pittsburgh, North Shore Connector LRT (4)	<i>Low-Medium</i>	60%	Low-Medium	Low-Medium
Raleigh, Phase 1 Regional Rail Project (4)	<i>Medium</i>	54%	Medium-High	Medium
San Diego, Mid-Coast Corridor (7)	<i>Medium-High</i>	49%	Medium-High	Medium-High
San Francisco, New Central Subway	<i>Low</i>	70%	Medium	Medium

Project (4, 5, 9)				
San Juan, Tren Urbano Minillas Extension (4, 5, 6)	<i>Low</i>	80%	Low-Medium	Low-Medium
Santa Clara County, Silicon Valley Rapid Transit Corridor (9)	<i>Medium</i>	20%	Medium	Medium
Seattle, Everett-to-Seattle Commuter Rail (2)	<i>Exempt</i>	24%	Exempt	Exempt
Seattle, Lakewood-to-Tacoma (2)	<i>Exempt</i>	29%	Exempt	Exempt
Silver Spring, Silver Spring Intermodal Transit Center (2)	<i>Exempt</i>	48%	Exempt	Exempt
Stamford, Urban Transitway and Intermodal Transportation Center Improvements (2)	<i>Exempt</i>	75%	Exempt	Exempt
Tampa Bay, Tampa Bay Regional Rail (9)	<i>Low-Medium</i>	50%	Low-Medium	Low-Medium
Washington, Dulles Corridor Bus Rapid Transit (4, 5)	<i>Medium</i>	60%	Medium	Medium
Washington, MARC Mid-Day Storage Facility (2)	<i>Exempt</i>	37%	Exempt	Exempt
Washington County, Wilsonville to Beaverton Commuter Rail Project (4, 5, 9)	<i>Medium</i>	60%	Medium	Medium

"N/A" = Not Available, "J" represents the Project Justification Rating, "O" represents the Operating Finance Rating, "C" represents the Capital Finance Rating.

(1) The following projects did not submit New Starts criteria for the FY 2004 Annual Report on New Starts: Austin Rapid Transit Project MOS, Louisville Transportation Tomorrow South Central Corridor LRT, Seattle Airport Link and the Seattle North Link. Thus, these projects are not shown on the table.

(2) This project has not been rated; under §5309(e)(8)(A), proposed New Starts projects requiring less than \$25.00 million in §5309 New Starts funding are exempt from the project evaluation and rating process.

(3) FTA and the project sponsor were unable to successfully implement the software necessary to calculate the user benefit information for this project. However, FTA and the project sponsor have calculated an estimate of user benefits, which we believe to be reasonable and which would result in a "Recommended" rating for the project. FTA will continue to work with the project sponsor to implement the software and confirm this estimate.

(4) The Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY2004. Future ratings of these projects would be affected by that change.

(5) The Conference Report accompanying the FY 2002 Department of Transportation Appropriations Act instructs that, as of October 1, 2002, no new Full Funding Grant Agreements may be executed with a Federal New Starts share greater than 60 percent. Accordingly, in the future, project financial ratings will reflect this Congressional instruction at all stages of project development.

(6) The project sponsor did not submit information for this measure.

(7) This project was "Not Rated" for project justification, mobility, cost-effectiveness and the overall rating because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(8) This project was "Not Rated" for project justification, mobility, and cost-effectiveness because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

(9) Projects not submitting transportation system user benefit information have been rated "Not Yet Available" for the project justification, mobility and overall rating.

**Table 1-D Continued: Summary of FY2004 New Starts
Ratings**

Phase and City (Project)	Operating Efficiency Rating	Operating Efficiencies		Cost Effectiveness Rating	Cost Effectiveness	Land Use Rating
		Systemwide Operating Cost per Passenger Mile			Incremental Cost per Incremental Passenger (NS Vs. Baseline)	
		Baseline	New Start			
Final Design						
Baltimore, MARC Penn-Camden Connection (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Chicago, Ravenswood Expansion Project (3)	Medium	\$0.16	\$0.16	Not Rated	N/A	High
Cleveland, Euclid Corridor Transportation Project	Medium	\$0.73	\$0.73	Low	\$35.40	Medium-High
Galveston, Rail Trolley Extension (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Girdwood, Alaska Railroad - South Anchorage Double Track (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Girdwood, Alaska Railroad - Eage River to Knik River Track Improvements (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Girdwood, Alaska Railroad - Knik River to Wasilla Track	Exempt	N/A	N/A	Exempt	N/A	Exempt

Improvements (2)						
Little Rock, River Rail Project (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Los Angeles, LOSSAN Rail Corridor Improvements (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Nashville, East Corridor Commuter Rail (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
New York, Long Island Rail Road East Side Access	Medium	\$0.24	\$0.25	Medium	\$15.25	High
Pawtucket, Commuter Rail Improvement Program (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Prince William, Alaska Marine Highway System (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Seattle, Central Link Initial Segment	Medium	\$0.52	\$0.51	Medium	\$16.27	Medium-High
Preliminary Engineering						
Boston, Silver Line Phase 3 (4)	Medium	\$0.29	\$0.29	Low	\$29.99	High
Bridgeport, Intermodal Transportation Center (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Burlington, Burlington-Essex Commuter Rail Project (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Charlotte, South	Medium	\$0.43	\$0.43	Medium	\$18.61	Medium

Corridor LRT						
Cincinnati, Interstate 71 Corridor Light Rail	Medium	\$0.64	\$0.54	Medium	\$15.40	Medium
Columbus, North Corridor LRT	Medium	\$0.68	\$0.67	Medium-High	\$10.80	Medium
Dallas, Northwest/Southeast Light Rail MOS	Medium	\$0.63	\$0.65	Medium	\$18.28	Medium
Denver, West Corridor LRT (4)	Medium	\$0.53	\$0.54	Low-Medium	\$23.24	Medium
Fort Collins, Mason Street Transportation Corridor (4, 5, 6)	Medium	\$1.60	\$0.72	Not Rated	N/A	Medium-High
Harrisburg, CORRIDORone Rail MOS (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Hartford, New-Britain-Hartford Busway (7)	Medium	\$0.70	\$0.57	Not Rated	N/A	Medium
Honolulu, Primary Corridor Transportation Project	Medium	\$0.27	\$0.27	High	\$7.38	Medium-High
Johnson County, I-35 Commuter Rail (2)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Las Vegas, Resort Corridor Fixed Guideway	Medium	\$0.45	\$0.36	High	\$2.83	Medium
Los Angeles, Mid-City/Exposition LRT (7)	Medium	\$0.35	\$0.35	Not Rated	N/A	Medium
Lowell, MA-Nashua, NH Commuter Rail	Exempt	N/A	N/A	Exempt	N/A	Exempt

Extension (<u>2</u>)						
Miami, North Corridor Metrorail Extension	Medium	\$0.47	\$0.45	Medium	\$18.53	Low-Medium
Minneapolis, Northstar Corridor Rail Project (<u>8</u>)	Medium	\$0.36	\$0.37	Not Rated	\$7.30	Medium-High
New Orleans, Desire Corridor Streetcar (<u>4</u>)	Medium	\$0.66	\$0.69	Low	\$111.91	Medium
New York, Second Avenue Subway	Medium	\$0.27	\$0.27	Low	\$39.70	High
Norfolk, Norfolk LRT	Medium	\$0.87	\$0.84	Low	\$46.92	Medium
Orange County, Centerline LRT Project (<u>7</u>)	Medium	\$0.50	\$0.42	Not Rated	N/A	Medium
Philadelphia, Schuylkill Valley MetroRail (<u>4</u> , <u>5</u>)	Medium	N/A	N/A	Low-Medium	\$23.78	Medium-High
Phoenix, Central Phoenix/East Valley Corridor	Medium	\$0.27	\$0.26	Medium-High	\$12.40	Medium
Pittsburgh, North Shore Connector LRT (<u>4</u>)	Medium	\$0.71	\$0.66	Low	\$37.79	Medium-High
Raleigh, Phase 1 Regional Rail Project (<u>4</u>)	Medium	\$0.46	\$0.46	Medium	\$14.59	Medium
San Diego, Mid-Coast Corridor (<u>7</u>)	Medium	\$0.19	\$0.25	Not Rated	N/A	Medium
San Francisco, New Central Subway Project (<u>4</u> , <u>5</u> , <u>9</u>)	Medium	\$0.27	\$0.26	Not Rated	N/A	High
San Juan, Tren Urbano Minillas Extension (<u>4</u> , <u>5</u> ,	Not	Not	Not	Not	Not Submitted	Not

<u>6)</u>	Submitted	Submitted	Submitted	Submitted		Submitted
Santa Clara County, Silicon Valley Rapid Transit Corridor (<u>9</u>)	Medium	\$0.73	\$0.69	Not Rated	N/A	Medium-High
Seattle, Everett-to-Seattle Commuter Rail (<u>2</u>)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Seattle, Lakewood-to-Tacoma (<u>2</u>)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Silver Spring, Silver Spring Intermodal Transit Center (<u>2</u>)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Stamford, Urban Transitway and Intermodal Transportation Center Improvements (<u>2</u>)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Tampa Bay, Tampa Bay Regional Rail (<u>9</u>)	Medium	\$0.00	\$0.00	Not Rated	N/A	Medium
Washington, Dulles Corridor Bus Rapid Transit (<u>4</u> , <u>5</u>)	Medium	\$0.24	\$0.22	Medium	\$18.45	Medium
Washington, MARC Mid-Day Storage Facility (<u>2</u>)	Exempt	N/A	N/A	Exempt	N/A	Exempt
Washington County, Wilsonville to Beaverton Commuter Rail Project (<u>4</u> , <u>5</u> , <u>9</u>)	Medium	\$0.63	\$0.58	Not Rated	N/A	Medium-High

"N/A" = Not Available, "J" represents the Project Justification Rating, "O" represents the Operating Finance Rating, "C" represents the Capital Finance Rating.

(1) The following projects did not submit New Starts criteria for the FY 2004 Annual Report on New Starts: Austin Rapid Transit Project MOS, Louisville Transportation Tomorrow South Central Corridor LRT, Seattle Airport Link and the Seattle North Link. Thus, these projects are not shown on the table.

(2) This project has not been rated; under §5309(e)(8)(A), proposed New Starts projects requiring less than \$25.00 million in §5309 New Starts funding are exempt from the project evaluation and rating process.

(3) FTA and the project sponsor were unable to successfully implement the software necessary to calculate the user benefit information for this project. However, FTA and the project sponsor have calculated an estimate of user benefits, which we believe to be reasonable and which would result in a "Recommended" rating for the project. FTA will continue to work with the project sponsor to implement the software and confirm this estimate.

(4) The Administration is seeking legislation that would limit the Federal New Starts share to no more than 50 percent beginning in FY2004. Future ratings of these projects would be affected by that change.

(5) The Conference Report accompanying the FY 2002 Department of Transportation Appropriations Act instructs that, as of October 1, 2002, no new Full Funding Grant Agreements may be executed with a Federal New Starts share greater than 60 percent. Accordingly, in the future, project financial ratings will reflect this Congressional instruction at all stages of project development.

(6) The project sponsor did not submit information for this measure.

(7) This project was "Not Rated" for project justification, mobility, cost-effectiveness and the overall rating because FTA has serious concerns about the information submitted for these measures; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. This information will be made available to Congress and other interested parties when the issues are resolved.

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(9) Projects not submitting transportation system user benefit information have been rated "Not Yet Available" for the project justification, mobility and overall rating.

Table 2: FY 2004 New Starts Funding Recommendations

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Totals by Phase						
Existing Full Funding Grant Agreements		\$1,668.44	\$1,046.87	\$994.26	\$1,342.92	\$4,900.19
Pending Full Funding Grant Agreements		\$102.73	\$114.10	\$139.02		
Proposed Full Funding Grant Agreements		\$180.94	\$23.00	\$235.00		
Other Projects in Final Design and Preliminary Engineering		\$634.54	\$8.00	\$121.19		
Ferry Capital Projects (AK or HI) (Â§5309(m)(5)(A))		\$10.19	\$10.30	\$10.30		
Oversight Activities			\$12.14	\$15.15		
Grand Total	N/A	\$2,596.85	\$1,214.40	\$1,514.92	\$1,342.92	\$4,900.19
Existing Full Funding Grant Agreements						

Fully Funded in the FY 2003 Budget Request						
Atlanta - North Springs (North Line Extension)	FFGA	\$354.34 <u>(1)</u>	\$16.11		FFGA Complete	\$370.54 <u>(1)</u>
Boston - South Boston Piers Transitway Phase 1	FFGA	\$330.05	\$0.68		FFGA Complete	\$330.73
Los Angeles - MOS-3 Extensions of Metro Rail (North Hollywood)	FFGA	\$640.55	\$40.49		FFGA Complete	\$681.04
Northern New Jersey - Hudson-Bergen MOS-1	FFGA	\$584.89	\$19.2		FFGA Complete	\$604.09
St. Louis - Metrolink St. Clair Extension	FFGA	\$249.04 <u>(2)</u>	\$3.37		FFGA Complete	\$252.41 <u>(2)</u>
Salt Lake City - CBD to University LRT	FFGA	\$20.80 <u>(2)</u>	\$68.76		FFGA Complete	\$89.56 <u>(2)</u>
Salt Lake City - North-South LRT	FFGA	\$243.28 <u>(2)</u>	\$0.72		FFGA Complete	\$243.99 <u>(2)</u>
Fully Funded in the FY 2004 Budget Request						
Baltimore - Central LRT Double-Tracking	FFGA	\$21.49	\$24.25	\$40.00	\$34.26	\$120.00
Chicago - Douglas Branch Reconstruction	FFGA	\$52.20 <u>(3)</u>	\$55.00	\$85.00	\$127.90	\$320.10
Chicago - North Central Corridor	FFGA	\$51.26 <u>(4)</u>	\$20.00	\$20.00	\$44.06	\$135.32

Commuter Rail						
Chicago - Southwest Corridor Commuter Rail	FFGA	\$38.50 <u>(4)</u>	\$20.00	\$20.00	\$24.52	\$103.02
Chicago - Union-Pacific West Line Extension	FFGA	\$32.84 <u>(4)</u>	\$12.00	\$12.00	\$23.92	\$80.76
Dallas - North Central LRT Extension	FFGA	\$230.91	\$70.00	\$30.16	\$1.90	\$330.00
Denver - Southeast Corridor LRT	FFGA	\$60.86	\$70.00	\$80.00	\$314.14	\$525.00
Fort Lauderdale - Tri-County Commuter Rail Upgrades	FFGA	\$52.40	\$39.69	\$18.41	FFGA Complete	\$110.50
Memphis - Medical Center Extension	FFGA	\$34.81 <u>(2)</u>	\$15.61	\$9.25	FFGA Complete	\$59.67 <u>(2)</u>
Minneapolis - Hiawatha Corridor LRT	FFGA	\$168.35	\$60.00	\$74.98	\$30.97	\$334.30
Northern New Jersey - Hudson-Bergen MOS-2	FFGA	\$0.00	\$50.00	\$100.00	\$350.00	\$500.00
Northern New Jersey - Newark Rail Link MOS-1	FFGA	\$59.39	\$60.00	\$22.57	FFGA Complete	\$141.95
Pittsburgh - Stage II LRT Reconstruction	FFGA	\$41.53	\$26.25	\$30.24	\$2.18	\$100.20
Portland - Interstate MAX LRT Extension	FFGA	\$70.79 <u>(2)</u>	\$70.00	\$77.50	\$39.21	\$257.50 <u>(2)</u>
Salt Lake City - Medical Center	FFGA	\$2.97	\$20.00	\$30.66	FFGA	\$53.63

Extension					Complete	
San Diego - Mission Valley East LRT Extension	FFGA	\$112.72	\$65.00	\$65.00	\$87.24	\$329.96
San Francisco - BART Extension to San Francisco Airport	FFGA	\$371.37	\$100.00	\$169.95	\$178.63	\$819.95
San Juan - Tren Urbano	FFGA	\$198.52 <u>(2)</u>	\$59.74	\$43.54	\$10.57	\$312.37 <u>(2)</u>
Washington DC/MD - Largo Metrorail Extension	FFGA	\$67.53	\$60.00	\$65.00	\$73.42	\$265.95 <u>(2)</u>
Subtotal	N/A	\$1,668.44	\$1,046.87	\$994.26	\$1,342.92	\$4,900.19
Pending Federal Funding Commitments						
Los Angeles - Eastside Corridor LRT	Recommended	\$8.42	\$35.00	\$55.00		
New Orleans - Canal Street	Recommended	\$70.03 <u>(2)</u>	\$37.10	\$36.02		
San Diego - Oceanside/Escondido Rail Corridor	FFGA	\$24.28	\$42.00	\$48.00		
Subtotal	N/A	\$102.73	\$114.10	\$139.02		
Proposed Federal Funding Commitments						
Chicago - Ravenswood Line	Not Rated <u>(5)</u>	\$7.89	\$4.00	\$45.00		

Extension						
Las Vegas - Resort Corridor Fixed Guideway	Recommended	\$13.85	\$4.00	\$40.00		
New York - Long Island Rail Road East Side Access	Recommended	\$68.23	\$15.00	\$75.00		
Seattle - Central Link Initial Segment	Highly Recommended	\$90.97	\$0.00	\$75.00		
Subtotal	N/A	\$180.94	\$23.00	\$235.00		

Note: Totals may not add due to rounding or FFGA shortfalls.

- (1) Reflects amendment to FFGA and prior year funding not included in FFGA. See text.
- (2) Totals include prior year funding not included in FFGA. See text.
- (3) FY 2001 appropriations provided a total of \$14.89 million for "Chicago Ravenswood and Douglas Branch Reconstruction Projects."
- (4) Reflects reallocation of FY 2000 and FY 2001 funds for "Metra Commuter Rail Project" by grantee.
- (5) FTA and the project sponsor were unable to successfully implement the software necessary to calculate the user benefit information for this project. However, FTA and the project sponsor have calculated an estimate of user benefits, which we believe to be reasonable and which would result in a recommended rating for the project. FTA will continue to work with the project sponsor to implement the software and confirm this estimate.

Table 2 (continued) FY 2004 Funding for New Starts Projects (Millions of Dollars)						
City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Other Projects in Final Design						
Baltimore - MARC Penn-Camden Connection	Exempt (6)	\$0.80				
Cleveland - Euclid Corridor BRT	Recommended	\$19.38 (7)	\$4.00			
Galveston - Trolley Extension	Exempt (6)	\$4.95				
Girdwood, AK - South Anchorage Double Track	Exempt (6)	\$27.25				
Girdwood, AK - Eagle River to Knik River Commuter Rail	Exempt (6)	\$0.00 (8)				
Alaska Railroad - Knik River to Wasilla Commuter Rail	Exempt (6)	\$0.00 (8)				
Little Rock - River Rail Project	Exempt (6)	\$7.93				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Los Angeles - LOSSAN Rail Corridor Improvement Project	Exempt (6)	\$23.84				
Nashville - East Corridor Commuter Rail	Exempt (6)	\$11.87				
Pawtucket, RI - Rhode Island Commuter Rail Improvement Program	Exempt (6)	\$5.45				
Prince William Sound, AK - Alaska Marine Highway System	Exempt (6)	\$0.00 (9)				
Subtotal		\$101.48	\$4.00			
Projects in Preliminary Engineering						
Austin - Rapid Transit Project	Not Available (10)	\$3.96				
Boston - Silver Line Phase 3	Recommended	\$0.00				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Bridgeport, CT - Intermodal Center	Exempt <u>(6)</u>	\$10.20				
Burlington, VT - Burlington-Essex Commuter Rail	Exempt <u>(6)</u>	\$6.90				
Charlotte - South Corridor Light Rail	Recommended	\$19.78				
Cincinnati - Interstate-71 Corridor LRT	Not Recommended	\$9.76				
Columbus - North Corridor	Recommended	\$0.50				
Dallas - Northwest-Southeast Corridor LRT MOS	Recommended	\$1.00				
Denver - West Corridor Light Rail	Recommended	\$0.00				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Fort Collins - Mason Street Transportation Corridor	Not Recommended	\$0.00				
Harrisburg, PA - CorridorOne Rail	Exempt (6)	\$1.97				
Hartford - New Britain-Hartford Busway	Not Rated	\$1.49				
Honolulu - Primary Transportation Corridor Project	Recommended	\$14.36				
Kansas City - Johnson County I-35 Commuter Rail	Exempt (6)	\$4.45				
Los Angeles - Mid-City Exposition LRT	Not Rated	\$12.88				
Louisville - Transportation Tomorrow South Central LRT	Not Available (10)	\$0.00				
Lowell, MA-Nashua, NH -	Exempt (6)	\$5.93				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Commuter Rail Extension						
Miami - North Corridor Metrorail Extension	Not Recommended	\$11.92				
Minneapolis - Northstar Corridor Rail Project	Not Recommended	\$14.85	\$4.00			
New Orleans - Desire Corridor Streetcar	Not Recommended	\$7.16				
New York - Second Avenue Subway	Recommended	\$4.98				
Norfolk, VA - Norfolk Light Rail Transit Project	Not Recommended	\$10.91				
Orange County, CA - Centerline LRT Project	Not Rated	\$7.45				
Philadelphia - Schuylkill Valley Metrorail	Not Recommended	\$25.72				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Phoenix - Central Phoenix East Valley Corridor	Highly Recommended	\$33.63				
Pittsburgh - North Shore Connector LRT	Not Recommended	\$23.67				
Raleigh - Phase 1 Regional Rail Project	Recommended	\$50.55				
San Diego - Mid Coast Corridor	Not Rated	\$12.32				
San Francisco - New Central Subway	Not Recommended	\$0.00				
San Juan - Tren Urbano Minillas Extension	Not Recommended	\$0.00				
Santa Clara County, CA - Silicon Valley Rapid Transit	Not Yet Available (11)	\$0.00				
Seattle - Airport Link	Not Available (10)	\$0.00 (12)				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Seattle - North Link Extension	Not Available (10)	\$0.00 (12)				
Seattle - Everett-to-Seattle Commuter Rail	Exempt (6)	\$79.32				
Seattle - Lakewood-to-Tacoma Commuter Rail	Exempt (6)	\$0.00 (13)				
Silver Spring, MD - MARC Intermodal Transit Center	Exempt (6)	\$0.00				
Stamford, CT - Urban Transitway and ITC Improvements	Exempt (6)	\$14.85				
Tampa - Tampa Bay Regional Rail System	Not Recommended	\$5.94				
Washington, DC - Dulles Corridor Rapid Transit	Recommended	\$115.68				

Table 2 (continued)
FY 2004 Funding for New Starts Projects
(Millions of Dollars)

City/Project	Overall Project Rating	Fiscal Year 2002 and Prior Year Earmarks	Fiscal Year 2003 Earmarks	Fiscal Year 2004 Recommended Funding	Remaining FFGA Funding	Total Recommended Funding
Washington, DC - MARC Mid-Day Storage	Exempt (6)	\$9.90				
Washington County, OR - Wilsonville to Beaverton Commuter Rail	Not Yet Available (11)	\$11.00				
Subtotal		\$533.07	\$4.00			

Note: Totals may not add due to rounding or FFGA shortfalls.

(6) Under Â§5309(e)(8)(A), proposed New Starts projects requiring less than \$25.00 million in Section 5309 New starts Funding are exempt from the project evaluation and rating process required by Section 5309(e). However, FTA strongly encourages sponsors who believe their projects to be exempt to nonetheless submit information for evaluation and rating purposes.

(7) Total reflects reprogramming of \$4.72 million from Cleveland Euclid Corridor.

(8) Funding is included in Alaska Railroad - South Anchorage Double Track.

(9) Funding is included in Ferry Capital Projects (AK or HI).

(10) Complete information is not yet available to adequately rate these projects.

(11) These projects did not submit New Starts criteria for the FY 2004 Annual Report on New Starts.

(12) Funding is included in Seattle - Central Link Initial Segment.

(13) Funding is included in Seattle - Everett to Seattle Commuter Rail.

Pending and Existing Full Funding Grant Agreements



New Starts Projects in Preliminary Engineering and Final Design

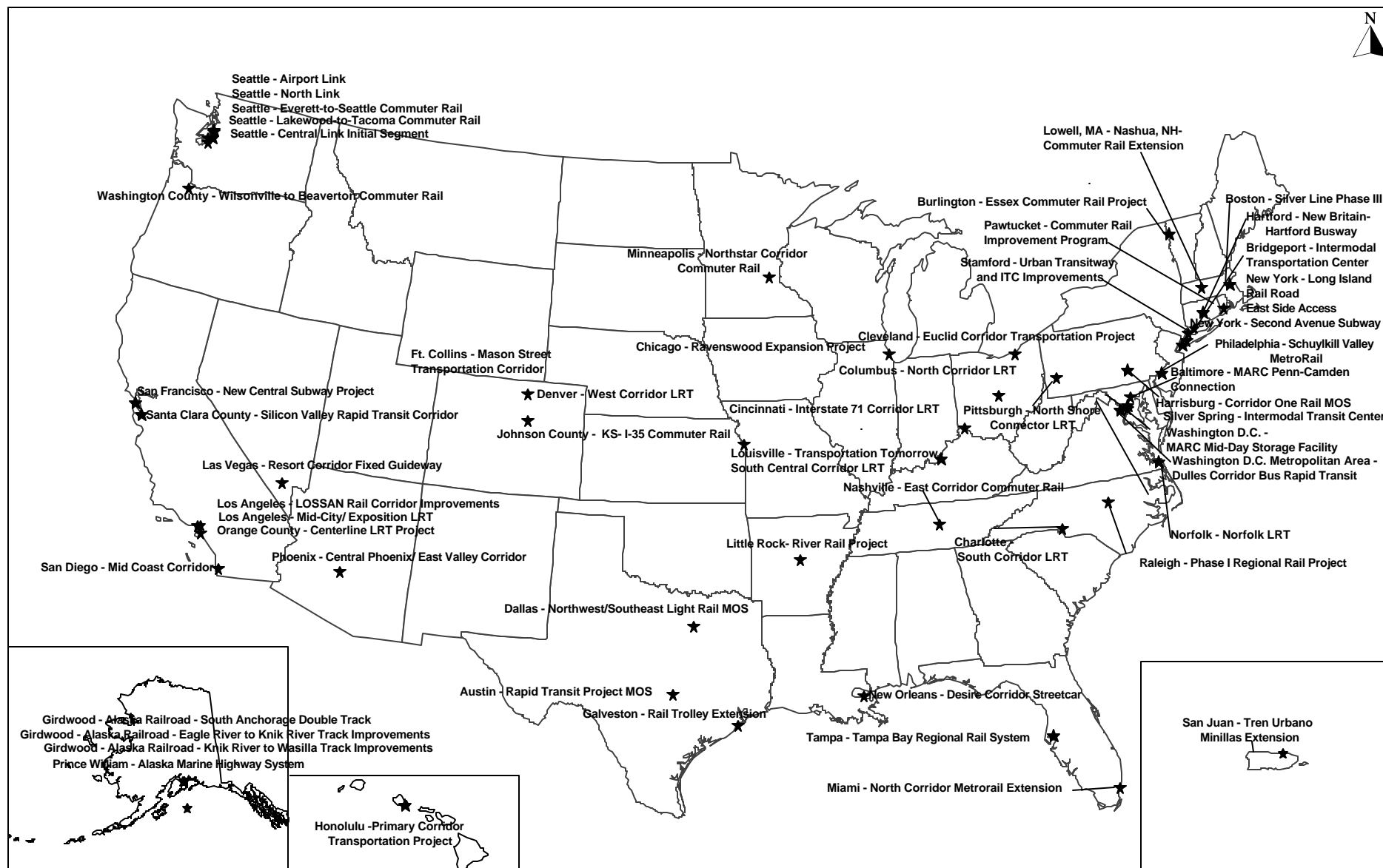


Table A-1: Financial Ratings: Capital Financing Commitments

Phase of Project	Rating	Indicators
Final Design	High	Sponsoring agency is considered to be in very sound financial condition. Non-Section 5309 New Starts Funds are committed and available to fund the project. The applicant has the fiscal capability to construct the project and has sufficient funds to cover the entire Non-Section 5309 New Starts share of the overall undertaking, including provision for contingent cost overruns, without exhausting such capacity.
	Medium-High	Sponsoring agency is considered to be in sound financial condition. Non-Section 5309 New Starts funds are committed to the project, but funds may not yet be available. The applicant has the fiscal capacity to construct the project and has sufficient funds to cover the entire Non-Section 5309 New Starts share of the overall undertaking, including provision for contingent cost overruns.
	Medium	Sponsoring agency is considered to be in reasonably sound financial condition. The majority of Non-Section 5309 New Starts funds are committed to the project. However, a significant portion of the Non-Section 5309 New Starts funding either does not yet exist or exists but is not yet committed to the project. It is highly likely that sufficient funds will be committed to cover the entire Non-Section 5309 New Starts share of the overall undertaking, including provision for contingent cost overruns.
	Low-Medium	Sponsoring agency is in reasonably sound financial condition. The applicant may have identified potential sources of Non-Section 5309 New Starts funds to construct the project. However, the majority of Non-Section 5309 New Starts funds have not been committed to cover the Non-Section 5309 New Starts share of project costs, including the provision for contingent cost overruns. The plan assumes some local funding which does not yet exist.
	Low	The sponsoring agency is not in sound financial condition. The applicant has not yet identified nor committed sufficient funding to cover the Non-Section 5309 New Starts share of project costs.
Preliminary Engineering	High	Sponsoring agency is considered to be in very sound financial condition. Non-Section 5309 New Starts funds are identified and committed to fund the project, but a portion of the funds may not yet be available. Sufficient funds to cover the Non-Section 5309 New Starts share of the overall undertaking, including provision for contingent cost overruns, have been committed.

	Medium-High	Sponsoring agency is considered to be in sound financial condition. The applicant has identified and committed sufficient funds to cover the majority of the Non-Section 5309 New Starts share of the overall undertaking, including provision for contingent cost overruns.
	Medium	Sponsoring agency is considered to be in reasonably sound financial condition. The applicant has adopted a realistic capital finance plan that adequately covers projected local capital costs. Some portion of funding to cover the Non-Section 5309 New Starts share of project costs has been committed, but a significant portion of local funding either does not yet exist or exists but is not yet committed to the project.
	Low-Medium	Sponsoring agency may be in sound financial condition, with some correctable deficiencies. The applicant has not yet adopted a realistic capital finance plan that adequately covers projected local capital costs. Non-Section 5309 New Starts funds are not committed and proposed new sources of funding are not available to fund the construction of the project.
	Low	Sponsoring agency is not considered to be in reasonably sound financial condition. The applicant has adopted a capital finance plan that FTA considers inadequate or infeasible. Non-Section 5309 New Starts funds have not been identified to finance construction of the project.

**Table A-2: Financial Ratings: Stable And Reliable
Operating Revenue**

Phase of Project	Rating	Indicators
Final Design	High	Sponsoring agency is considered to be in very sound financial condition. Ample dedicated transit funding sources are committed and available and there is a good history of general appropriations from State or local government to provide a balanced budget for the transit system. Existing transit vehicles and facilities have been well maintained and replaced through continuing reinvestment in the system. The applicant has demonstrated the financial capacity to operate and maintain the proposed new starts project, other programmed projects, and the existing regional transit system.
	Medium-High	Sponsoring agency is considered to be in sound financial condition. The lead agency demonstrates that funding for operating an expanded transit system is committed. Existing transit facilities have been well maintained and replaced through continuing reinvestment in the system. Financial projections indicate adequate financial capacity to operate an expanded transit system.
	Medium	Sponsoring agency is considered to be in reasonably sound financial condition. The applicant has adopted a realistic operating finance plan that adequately covers projected operating costs for the existing and proposed transit system expansion. Demonstrates that funding for operating an expanded transit system is identified and will likely be committed. Existing facilities are adequately maintained. Financial projections indicate adequate financial capacity to operate an expanded transit system.
	Low-Medium	Sponsoring agency may be in sound financial condition, with some correctable deficiencies. The applicant has not yet adopted a realistic operating finance plan that adequately covers projected operating costs, and potential sources of operating funds have not been committed. Current sources of local funding are not sufficient to operate the proposed system expansion and operate and maintain the current transit system.
	Low	Sponsoring agency is not considered to be in reasonably sound financial condition. The applicant has adopted an operating finance plan that FTA considers inadequate or infeasible. Local funding does not generate sufficient revenue to operate and maintain the current transit system, and no new sources have been identified or committed to finance an expanded public transit system. Local transit system operating assistance is not reliable, resulting in deferred

		capital replacement and/or routine maintenance and/or service reductions.
Preliminary Engineering	High	Sponsoring agency is considered to be in very sound financial condition. Ample dedicated transit funding sources are committed and available and there is a good history of general appropriations from State or local government to provide a balanced budget for the transit system. Existing transit vehicles and facilities have been well maintained and replaced through continuing reinvestment in the system. The applicant has demonstrated the financial capacity to operate and maintain the proposed new starts project, other programmed projects, and the existing regional transit system.
	Medium-High	Sponsoring agency is considered to be in sound financial condition. Demonstrates that funding for operating an expanded transit system is committed. Existing transit facilities have been well maintained and replaced through continuing reinvestment in the system. Financial projections indicate adequate financial capacity to operate an expanded transit system.
	Medium	Sponsoring agency is considered to be in reasonably sound financial condition. The applicant has adopted a realistic operating finance plan that adequately covers projected operating costs for the existing and proposed transit system expansion. Demonstrates that funding for operating an expanded transit system is identified and will likely be committed. Existing facilities are adequately maintained. Financial projections indicate adequate financial capacity to operate an expanded transit system.
	Low-Medium	Sponsoring agency may be in sound financial condition, with some correctable deficiencies. The applicant has not yet adopted a realistic operating finance plan that adequately covers projected operating costs, and potential sources of operating funds have not been committed. Current sources of local funding are not sufficient to operate the proposed system expansion and operate and maintain the current transit system.
	Low	Sponsoring agency is not considered to be in reasonably sound financial condition. The applicant has adopted an operating finance plan that FTA considers inadequate or infeasible. Local funding does not generate sufficient revenue to operate and maintain the current transit system, and no new sources have been identified or committed to finance an expanded public transit system. Local transit system operating assistance is not reliable, resulting in deferred capital replacement and/or routine maintenance and/or service reductions.

Table A-3: Land Use Assessment Ratings

I. Existing Land Use

a. Existing Land Use

Preliminary Engineering and Final Design	High	Current levels of population, employment, and other trip generators in station areas are sufficient to support a major transit investment. Most station areas are pedestrian-friendly and fully accessible.
	Medium	Current levels of population, employment, and other trip generators in station areas marginally support a major transit investment. Some station areas are pedestrian-friendly and accessible. Significant growth must be realized.
	Low	Current levels of population, employment, and other trip generators in station areas are inadequate to support a major transit investment. Station areas are not pedestrian-friendly.

Ratings based on assessment of the following:

- Existing corridor and station area development;
- Existing corridor and station area development character; and
- Existing station area pedestrian facilities, including access for persons with disabilities; and
- Existing corridor and station area parking supply.

II. Transit-Supportive Plans and Policies

a. Growth Management

Preliminary Engineering and Final Design	High	Adopted and enforceable growth management and land conservation policies are in place throughout the region. Existing and planned densities and market trends in the region and corridor are strongly compatible with transit.
	Medium	Significant progress has been made toward implementing growth management and land conservation policies. Strong policies may be adopted in some jurisdictions but not others, or only moderately enforceable policies (e.g., incentive-based) may be adopted regionwide. Existing and/or planned densities and market trends are moderately compatible with transit.
	Low	Limited consideration has been given to implementing growth management and land conservation policies; adopted policies may be weak and apply to

		only a limited area. Existing and/or planned densities and market trends are minimally or not supportive of transit.
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Ratings based on assessment of the following:

- Concentration of development around established activity centers and regional transit; and
- Land conservation and management.

b. Transit Supportive Corridor Policies

Final Design	High	Conceptual plans for the corridor and station areas have been developed. Local jurisdictions have adopted or drafted revisions to comprehensive and/or small area plans in most or all station areas. Land use patterns proposed in conceptual plans and local and institutional plan revisions are strongly supportive of a major transit investment.
	Medium	Limited progress, to date, has been made toward developing station area conceptual plans or revising local comprehensive or small area plans. Existing station area land uses identified in local comprehensive plans are marginally or not transit-supportive.
	Low	Limited consideration has been given to implementing growth management and land conservation policies; adopted policies may be weak and apply to only a limited area. Existing and/or planned densities and market trends are minimally or not supportive of transit.
Preliminary Engineering	High	Conceptual plans for the corridor and station areas have been developed. Discussions have been undertaken with local jurisdictions about revising comprehensive plans. Land use patterns proposed in conceptual plans for station areas (or in existing comprehensive plans and institutional master plans throughout the corridor) are strongly supportive of a major transit investment.
	Medium	Conceptual plans for the corridor and station areas are being developed. Discussions have been undertaken with local jurisdictions about revising comprehensive plans. Land use patterns proposed in conceptual plans for station areas (or existing in local comprehensive plans and institutional master plans) are at least moderately supportive of a major transit investment.
	Low	Limited progress, to date, has been made toward developing station area conceptual plans or working with local jurisdictions to revise comprehensive plans. Existing station area land uses identified in local comprehensive plans are marginally or not transit-supportive.

Ratings based on assessment of the following:

- Plans and policies to increase corridor and station area development;
- Plans and policies to enhance transit-friendly character of corridor and station area development;
- Plans to improve pedestrian facilities, including facilities for persons with disabilities; and
- Parking policies.

c. Supportive Zoning Regulations Near Transit Stations

Final Design	High	Local jurisdictions have adopted zoning changes that strongly support a major transit investment in most or all transit station areas.
	Medium	Local jurisdictions are in the process of adopting zoning changes that moderately or strongly support a major transit investment in most or all transit station areas. Alternatively: strongly transit-supportive zoning has been adopted in some station areas but not in others.
	Low	No more than initial efforts have begun to prepare station area plans and related zoning. Existing station area zoning is marginally or not transit-supportive.
Preliminary Engineering	High	A conceptual planning process is underway to recommend zoning changes for station areas. Conceptual plans and policies for station areas are recommending transit-supportive densities and design characteristics. Local jurisdictions have committed to examining and changing zoning regulations where necessary. Alternatively, a “high” rating can be assigned if existing zoning in most or all transit station areas is already strongly transit-supportive.
	Medium	A conceptual planning process is underway to recommend zoning changes for station areas. Local jurisdictions are in the process of committing to examining and changing zoning regulations where necessary. Alternatively, a “medium” rating can be assigned if existing zoning in most or all transit station areas is already moderately transit-supportive.
	Low	Limited consideration has been given to preparing station area plans and related zoning. Existing station area zoning is marginally or not transit-supportive.

Ratings based on assessment of the following:

- Zoning ordinances that support increased development density in transit station areas;
- Zoning ordinances that enhance transit-oriented character of station area development and pedestrian access;
- Zoning allowances for reduced parking and traffic mitigation.

d. Tools to Implement Land Use Policies

Final Design	High	Transit agencies and/or regional agencies are working proactively with local jurisdictions, developers, and the public to promote transit-supportive land use planning and station area development. The transit agency has established a joint development program and identified development opportunities. Agencies have adopted effective regulatory and financial incentives to promote transit-oriented development. Public and private capital improvements are being programmed in the corridor and station areas which implement the local land use policies and which leverage the Federal investment in the proposed corridor.
	Medium	Transit agencies and/or regional agencies have conducted some outreach to promote transit-supportive land use planning and station area development. Regulatory and financial incentives to promote transit-oriented development are being developed, or have been adopted but are only moderately effective. Capital improvements are being identified that support station area land use plans and leverage the Federal investment in the proposed major transit corridor.
	Low	Limited effort has been made to reach out to jurisdictions, developers, or the public to promote transit-supportive land use planning; to identify regulatory and financial incentives to promote development; or to identify capital improvements.
Preliminary Engineering	High	Transit agencies and/or regional agencies are working proactively with local jurisdictions, developers, and the public to promote transit-supportive land use planning and station area development. Local agencies are making recommendations for effective regulatory and financial incentives to promote transit-oriented development. Capital improvement programs are being developed that support station area land use plans and leverage the Federal investment in the proposed major transit corridor.
	Medium	Transit agencies and/or regional agencies have conducted some outreach to promote transit-supportive land use planning and station area development. Agencies are investigating regulatory and financial incentives to promote transit-oriented development. Capital improvements are being identified that support station area land use plans and leverage the Federal investment in the proposed major transit corridor.
	Low	Limited effort has been made to reach out to jurisdictions, developers, or the public to promote transit-supportive land use planning; to identify regulatory

		and financial incentives to promote development; or to identify capital improvements.
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Ratings based on assessment of the following:

- Outreach to government agencies and the community in support of land use planning;
- Regulatory and financial incentives to promote transit-supportive development; and
- Efforts to engage the development community in station area planning and transit-supportive development.

III. Performance and Impacts of Land Use Policies

a. Performance of Land Use Policies

Final Design	High	A significant number of development proposals are being received for transit-supportive housing and employment in station areas. Significant amounts of transit-supportive development have occurred in other, existing transit corridors and station areas in the region.
	Medium	Some development proposals are being received for transit-supportive housing and employment in station areas. Moderate amounts of transit-supportive development have occurred in other existing transit corridors and station areas in the region.
	Low	A limited number of proposals for transit-supportive housing and employment development in the corridor are being received. Other existing transit corridors and station areas in the region lack significant examples of transit-supportive housing and employment development.
Preliminary Engineering	High	Transit-supportive housing and employment development is occurring in the corridor. Significant amounts of transit-supportive development have occurred in other, existing transit corridors and station areas in the region.
	Medium	Station locations have not been established with finality, and therefore, development would not be expected. Moderate amounts of transit-supportive housing and employment development have occurred in other, existing transit corridors and station areas in the region.
	Low	Other existing transit corridors and station areas in the region lack significant examples of transit-supportive housing and employment development.

Ratings based on assessment of the following:

- Demonstrated cases of development affected by transit-oriented policies; and

- Station area development proposals and status.

b. Potential Impact of Transit Project on Regional Land Use

Preliminary Engineering and Final Design	High	A significant amount of land in station areas is available for new development or redevelopment at transit-supportive densities. Local plans, policies, and development programs, as well as real estate market conditions, strongly support such development.
	Medium	A moderate amount of land in station areas is available for new development or redevelopment at transit-supportive densities. Local plans, policies, and development programs, as well as real estate market conditions, moderately support such development.
	Low	Only a modest amount of land in station areas is available for new development or redevelopment. Local plans, policies, and development programs, as well as real estate market conditions, provide marginal support for new development in station areas.

Ratings based on assessment of the following:

- Adaptability of station area land for development; and
- Corridor economic environment.