



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



**FACT SHEET:  
 FIXED GUIDEWAY CAPITAL INVESTMENT GRANTS (“NEW STARTS”)  
 SECTION 5309**

	<b>FY 2013 (in millions)</b>	<b>FY 2014 (in millions)</b>
Fixed Guideway Capital Investment Grants (“New Starts”)	\$1,907	\$1,907

**Purpose**

Provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. This program defines a new category of eligible projects, known as core capacity projects, which expand capacity by at least 10% in existing fixed-guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. The program also includes provisions for streamlining aspects of the New Starts process to increase efficiency and reduce the time required to meet critical milestones.



**Statutory References**

49 U.S.C. Section 5309 / MAP-21 Section 20008

**Eligible Recipients**

State and local government agencies, including transit agencies.

**Eligible Projects**

- New fixed-guideways or extensions to fixed guideways (projects that operate on a separate right-of-way exclusively for public transportation, or that include a rail or a catenary system).
- Bus rapid transit projects operating in mixed traffic that represent a substantial investment in the corridor.
- Projects that improve capacity on an existing fixed-guideway system.

**Funding**

- This discretionary program requires project sponsors to undergo a multi-step, multi-year process to be eligible for funding.
- Maximum federal share is 80%.

**What’s New?**

**Program Reorganization**

- Fixed-guideway modernization and bus and bus facilities projects are no longer funded under this section. See State of Good Repair Program (Section 5337) and Bus and Bus Facilities Program (Section 5339) for funding information for such projects.

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## Fixed Guideway Capital Investment Grants (“New Starts”)

### What’s New? (cont.)

#### Project Eligibility

- Adds eligibility of core capacity projects.

#### Project Development Process

- Eliminates the Alternatives Analysis requirement and instead relies on the review of alternatives performed during the metropolitan planning and environmental review processes.
- Creates the Project Development phase, during which the environmental review is completed. Project sponsors must complete this phase within two years, or seek an extension from FTA.
- Reduces the number of FTA approval steps by consolidating Preliminary Engineering and Final Design into a single engineering step.
- Requires FTA to develop an expedited review process for determining the technical capacity of project sponsors to undertake the proposed project if they have recently and successfully completed at least one other new fixed guideway or core capacity project.

#### Project Evaluation and Rating

- Allows for use of warrants under certain conditions, i.e., ways in which projects may qualify for automatic ratings on the project justification criteria.
- Eliminates the operating efficiencies criterion.
- Adds a congestion relief criterion.
- Increases the number of evaluation criteria for Small Starts projects.
- Requires FTA evaluate the benefits of a Small Starts project against the Federal share of the project, rather than the total project cost when developing the project justification rating.

#### Other New Provisions

- Creates a competitive pilot program for expedited project delivery.
- Funds Small Starts projects through a single year grant or an expedited grant agreement. Congressional notification of grant award is 10 days.
- Funds New Starts and Core Capacity projects through a full-funding grant agreement. Congressional notification of grant award is 30 days.

### Ongoing Provisions

- All projects seeking funding from the program must be evaluated and rated based on project justification and local financial commitment criteria.
- Small Starts projects must have total net capital cost of less than \$250 million and seek a federal share of less than \$75 million.
- FTA must submit an Annual Report on Funding Recommendations to Congress.
- Project sponsors must submit “Before and After Studies,” which FTA must summarize in a report to Congress annually.

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For additional information on FTA and MAP-21, visit [www.fta.dot.gov/map21](http://www.fta.dot.gov/map21).