



Federal Legislative Committee Meeting Agenda

June 27, 2024
2:00 p.m. – 3:00 p.m.

Agenda Items

Proposed Action

1. Welcome and Roll Call	
2. Chair's Report	
3. Discuss CIG Letter	Discussion
4. Update on PEPRA and 13(c)	Information
5. Discuss Federal Lobby Day	Discussion
6. Update on 2024-26 Federal Legislative Committee Solicitation	Information
7. Reminders	
a. RAISE Grant Awards Announced	
8. Other Business	
9. Adjourn	

June 4, 2024

Veronica Vanterpool
Acting Administrator
Federal Transit Administration
1200 New Jersey Avenue, S.E.
Washington, DC 20590

RE: FTA-2021-0010 – Policy Guidance for the Capital Investment Grant Program

Acting Administrator Vanterpool:

On behalf of the California Transit Association, I write to you today to voice our support for the adoption of the *Policy Guidance for the Capital Investment Grant (CIG) Program* released by the Federal Transit Administration (FTA) on April 5, 2024. The policy guidance proposes changes to implement the new “Bundles of CIG projects” provisions made by the Infrastructure Investment and Jobs Act (IIJA) to 49 U.S.C. 5309; update and streamline the data used for CIG project evaluation and rating; incorporate priorities on equity, resiliency and affordable housing; incorporate feedback FTA received in response to its RFI published in the Federal Register in 2021. The Association observes that the updated policy guidance, if adopted, would bring the CIG program into further alignment with the intent of laws and regulations, established by the State of California, which govern and direct state-level investments in public transportation. Many of these state laws and regulations are further expanded on by regional, local, and/or board policies. As such, the policy guidance would position California transit and rail agencies to compete well in subsequent funding cycles for the program, with little additional burden.

Below we highlight several of the specific proposals included in the policy guidance, which would further align the CIG program with the policy objectives of the State of California.

Equity - Land Use and Mobility Improvements

The policy guidance proposes to further center equity in project development and advancement in the CIG program by requiring project sponsors to examine and report on project benefits, and proximity, to communities and areas experiencing

disadvantage; and the access to essential services that would be facilitated by the project. Additionally, the policy guidance proposes to increase the weight given to trips made on the project by transit dependent persons in consideration of mobility benefits.

The Association observes that these proposals mirror the requirements of the California State Transportation Agency's Transit and Intercity Rail Capital Program (TIRCP), which California transit agencies often access to secure local match funding for the CIG program. The TIRCP requires project applications submitted by California transit agencies to offer an *"explanation of how some or all of the project provides direct, meaningful, and assured benefits to a disadvantaged community, low income communities or low-income households as defined by SB 535 and AB 1550, including reducing administrative burdens – particularly those associated with eligibility verification across services"* and *"[i]dentify a need of that community, including how the need was established to identify the portion of the project, if any, that is located within a disadvantaged community or low-income community."*

Economic Development – Supportive Zoning and Universal Design

The policy guidance proposes to expand the factors evaluated by FTA to determine the extent to which a proposed project is likely to induce additional, transit supportive development to include supportive zoning in station areas. Additionally, FTA is proposing to add new consideration to whether local plans and policies encourage universal design and additional consideration to the availability of tools to maintain or increase the share of affordable housing in station areas.

The Association observes, as we have at the state-level, that transit agencies do not dictate or otherwise inform local zoning or development decisions. That said, we acknowledge that this proposal mirrors the requirements and evaluation criteria of CalSTA's TIRCP. The TIRCP requires project applications submitted by California transit agencies to include information on the *"[g]reenhouse gas reducing features such as...surrounding land use density, housing and employment centers, transit-oriented development / sustainable communities strategy projects,"* and includes secondary evaluation criteria that consider, among other things, whether the *"project will serve a community within ½ mile of a transit station or stop that has received a positive Prohousing Designation Program score"* through adherence to myriad supportive zoning and affordability policies.

Cost Effectiveness

The Policy Guidance proposes to increase the percentage of the cost of facilities that may be excluded from cost effectiveness calculations to achieve LEED, Energy Star, and BREEAM certification; allow the full cost of EV charging to be excluded from cost

effectiveness calculations; and update cost effectiveness ratings to reflect post-COVID transit ridership and cost inflation.

The Association supports FTA's incentive-based approach to further reducing greenhouse gas emissions from transit facilities. Additionally, we show our support for updating the cost effectiveness ratings to reflect the impacts of COVID-19 on transit ridership and on the cost of key construction inputs.

Financial Evaluation

The policy guidance proposes to permit projects to qualify for simplified financial evaluations, if they have a capital cost of less than \$400 million and meet certain local match, O&M, and financial condition requirements.

The Association supports this change but encourages FTA to further simplify financial evaluations for projects with a capital cost of less than \$100 million.

In showing our support for the adoption of the policy guidance, we encourage FTA to exercise discretion to ensure that implementation details and mechanics do not ultimately conflict with, or unnecessarily duplicate, efforts led by California transit agencies in response to state, local, or board-level requirements. The Association appreciates FTA's consideration of this letter. If you have any questions regarding our comments, please contact me at michael@caltransit.org or (916) 446-4656 x1034.

Sincerely,



Michael Pimentel
Executive Director