



City of Austin

P.O. Box 1088, Austin, TX 78767-1088

April 14, 2022

Docket Management Facility
Department of Transportation
1200 New Jersey Avenue, SE
West Building, Room W12-140
Washington, DC 20590-0001

RE: Notice of Availability of Initial Guidance Proposals for the Capital Investment Grants Program
Docket Number: FTA-2021-0010

Dear Administrator Fernandez:

Thank you for the opportunity for the City of Austin ("City") to submit comments to the Federal Transit Administration (FTA) in response to Notice of Availability of Initial Guidance Proposals for the Capital Investment Grants ("CIG") Program: Docket Number: FTA 2021-0010 ("Initial Guidance"). We greatly appreciate FTA proactively engaging the public to update the "Final Interim Guidance, Federal Transit Administration, Capital Investment Grants Program (June 2016) in response to the enacted legislative changes in the Bipartisan Infrastructure Law ("BIL") and industry input. As the four Project Connect projects progress through the CIG program, we greatly appreciate the changes being proposed by FTA.

Self-Effectuating Provisions

The City supports many of the proposed changes in the Initial Guidance documents. As acknowledged in the Initial Guidance, several eligibility changes made for Small Starts, New Starts and Core Capacity are self-effectuating since they reflect the changes in the law, such as the increased dollar thresholds for defining Small Starts and New Starts, as well as the extension for five to ten years for demonstrating that an existing fixed guideway corridor will be at or over capacity. These are excellent improvements and we thank FTA for quick action in acknowledging and implementing these changes. We do wish to clarify that these provisions are effective for all projects as of November 15, 2021 when the BIL was signed into law by President Joe Biden.

Demonstrating Progress Towards Transit Asset Management Targets

FTA is attempting to implement a change in BIL that a project sponsor demonstrate progress towards the performance targets reported to the National Transit Database (NTD). We have concerns regarding the implementation of this statutory requirement. Since NTD reporting is done annually, the targets set each year will vary year-by-year. This leads to unpredictability for project sponsors regarding knowing if the project will be able to advance in the CIG project approval process and secure a grant agreement. At least some sponsors also have received specific guidance to set targets based on their predicted performance the following year, not necessarily the long-term target they are trying to achieve. This simply adds more unpredictability about whether the proposed approach would truly address the intention of the statute.

The Finance Template for New Starts, Small Starts and Core Capacity already require project sponsors to report the average age of buses and the average age of rail vehicles. Therefore, the Financial assessment component of CIG review already addresses TAM issues for rolling stock. It also addresses the issue in the right context to understand the project sponsor's balancing between investment in new projects and their investment in state of good repair. We suggest that FTA has already addressed TAM with respect to rolling stock and a further measure is redundant and unnecessary.

The City urges FTA to delay the implementation of this provision until January 1, 2026. Transit agencies may set asset management targets to replace or rehabilitate rolling stock but the current economic climate and labor shortages has made achievement of those targets impossible. Rail car manufacturers have consistently been unable to meet delivery schedule due the delays in the delivery of parts, supply chain delays and labor shortages. Extending the implementation date will allow for the market to rebuild following COVID, to adjust to the very real supply chain issues and build confidence to restoring reasonable schedules for achieving asset management goals.

If FTA opts to add a further check on TAM progress such as that proposed or an alternative, we strongly support FTA's approach to recognize local differences as describe in the Initial Guidance where FTA proposes to "measure progress based on performance against an agency's chosen targets" rather than a single nationwide standard. Weather, duty cycle, and many other factors create significantly different circumstances for each sponsor that leads to different needs and requirements which local TAM targets can better accommodate.

Capital Investment Grant Bundles

The City appreciates FTA seeking to implement the CIG project "bundling" provisions in the BIL. We support the bundling provisions in the BIL and the FTA Interim Guidance that seeks to implement this statutory change. We do request that FTA clarify that a "bundle" can include any combination of New Starts and Small Starts, as well as a Core Capacity projects. We urge FTA to allow a project sponsor in responding to the project justification factors to include the system-wide impact of the bundle when preparing the project information for any single project.

In addition, we believe that there are opportunities for FTA to streamline the development of the bundle. This could include, in appropriate circumstances, allowing a project sponsor to prepare a single Program Management Plan and a program-wide Financial Plan for the project bundle which would save time and demonstrate technical and financial capacity to construct the projects in the bundle. We also suggest that for immediate bundles, criteria submittals may be combined (e.g., Land Use criteria submittal versus one for each project) and that ridership demand modeling be completed with all immediate bundle projects, rather than independently for each separate project. This would help account for the synergistic benefits of having the multiple projects operating together and recognize the benefits of combined projects.

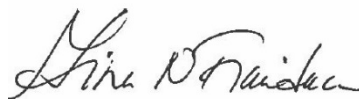
Funding Commitment for CIG Bundles

We support FTA's expectation that an immediate bundle would have funding identified for Project Development for all of the projects in the immediate bundle. We agree that this requirement should only be in place for projects expected to enter into PD immediately, including the initial project in future bundles. However, many agencies only have a single-year budget approvals as governed by state and other requirements. FTA should recognize other forms of commitment of funds provide those funds are committed to be available by the time they are needed for Project Development. This is critical for any project where Project Development will take more than one year, but potentially for all projects.

Conclusion

Thank you for offering the opportunity to submit comments to the Initial Guidance. We look forward to additional opportunities to submit to the FTA throughout the development of updated Guidance for the CIG program.

Sincerely,



Gina Fiandaca
Assistant City Manager