



## REGIONAL TRANSIT PLANNING COMMITTEE

May 6, 2021

Charlie Sutlive, Chair

# **Regional Transit Planning Committee**

## **Thursday, May 6, 2021**

### **Proposed Agenda**

- I. Call to Order and Roll Call – Charlie Sutlive, Chair
- II. Approval of Minutes for March 4, 2021
- III. Approval of Agenda for May 6, 2021
- IV. TAQC Update – Paul Radford
- V. ARTP, ARA and Priority List Update – Aileen Daney
- VI. Fare Policy Update – Cain Williamson
- VII. ATL Financial Modeling Presentation – Jonathan Ravenelle
- IX. Adjournment



## TAQC UPDATE

Paul Radford

May 6, 2021



# **ATL REGIONAL TRANSIT PLAN (2022) & ANNUAL REPORT AND AUDIT (2021) UPDATE**

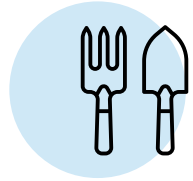
Aileen M. Daney

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May 6<sup>th</sup>, 2021

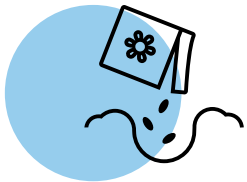


# SUMMARY SCHEDULE & KEY TASKS



Winter '21

**Project Management & Stakeholder Coordination:**  
Host project kickoff meeting, develop project management and stakeholder engagement plans



Spring '21

**Vision and Goal Setting:**  
Forge a connection between the work of each subsequent task and specific plan objectives



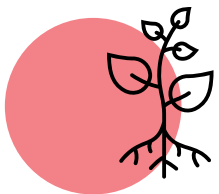
Summer '21

**Existing Conditions & Future Trends:** Analyze state of the region and share via report/presentation



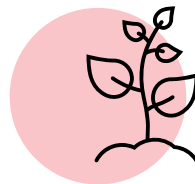
Summer/Fall '21

**Transit Network:** Analyze travel patterns, land use, environment and transit needs to create transit corridor typologies



Spring '22

**Public Engagement and Performance Monitoring:**  
Establish metrics/targets to gauge implementation progress over time



Winter '22

**Evaluation & Prioritization:**  
Assess how well projects perform and develop methodology for ranking projects for implementation



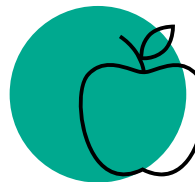
Fall '21

**Project Development:** Identify project recommendations to close network gaps, maximize performance, and align with plan vision



Spring/Summer '22

**Regional Funding Strategy:**  
Identify strategies to fill gaps and run funding scenarios for priority projects

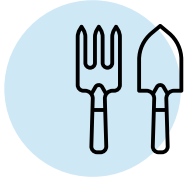


Summer '22

**ARTP Final Document:**  
Presented to the ATL Board for adoption



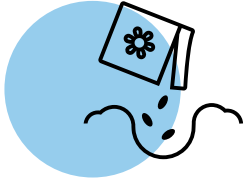
# WINTER '21: PROJECT MANAGEMENT & STAKEHOLDER COORDINATION



- ▶ Finalized **Project Management Plan**
- ▶ Finalized **Stakeholder Coordination & Engagement Plan**
  - ▶ Outlines our engagement approach with **three key stakeholder groups**:
    - A. ATL Board Members and State Legislatures
    - B. Transit Providers, CIDs, and County Leaders (eligible project sponsors)
    - C. General Public



## SPRING '21: VISION & GOAL SETTING



- ▶ Scheduling small group or one-on-one **work sessions with ATL Board members to understand your vision** (mid-May)

*You will receive an invitation to participate in the next few days via email*

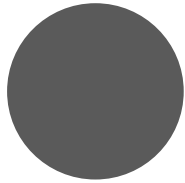
- ▶ Scheduling **vision and goal setting work session with transit provider and county leaders** (end of May through early June)



## TRACKATL & KEY TAKEAWAY



- ▶ **TrackATL** is our new project database
- ▶ We expect to **launch in June** and demo with project sponsors ahead of our next Call for Projects



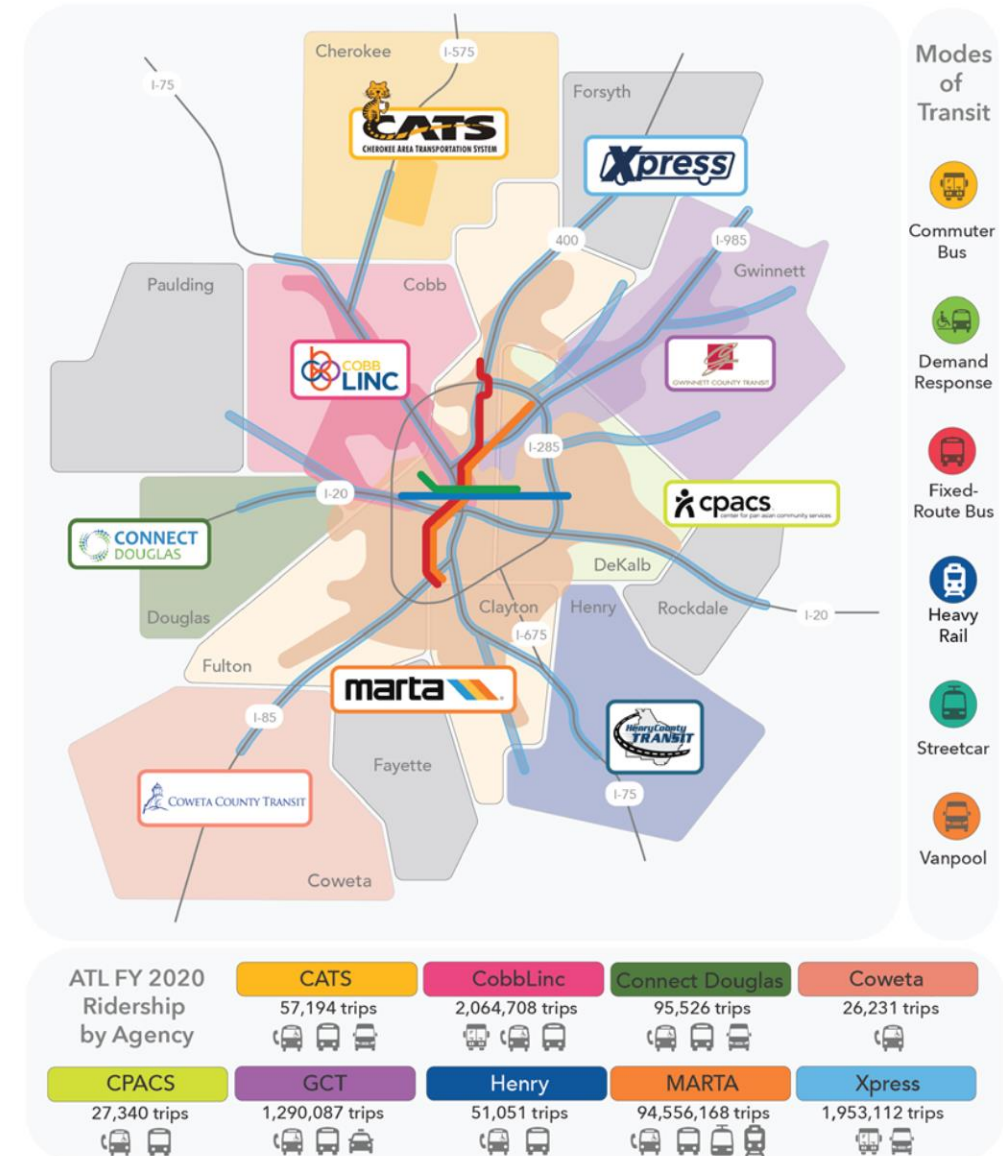
- ▶ Plan to share draft **ATL Regional Transit Plan Vision and Goals with the Board in July**, laying the foundation for how the rest of the plan unfolds





# REFRESHER: ANNUAL REPORT AND AUDIT

- > Report covers **transit performance, funding, and operations trends for 9 transit providers** within the 13-county ATL region
  - > ATL is required to complete annually, as established by our enabling legislation
- > Timeframe: ATL's fiscal year
  - > July 2020 – June 2021
- > Retain the **same document structure and outline as last year**
  - > **New(ish):** Special performance indicators related to the pandemic





## APPROACH FOR THE 2021 ARA

- > **Shift to underscore access analysis over ridership trends**
  - > Ridership is declining for a variety of reasons (pandemic, land use, TNCs, gas prices, economic factors, etc.)
- > **Ridership is a useful measure** partially because it helps to inform federal funding allocated to transit, **but it is imperfect in measuring transit's success**



## APPROACH FOR THE 2021 ARA

- > **Shift to underscore access analysis over ridership trends**
  - > Ridership is declining for a variety of reasons (pandemic, land use, TNCs, gas prices, economic factors, etc.)
  - > **Ridership is a useful measure** partially because it helps to inform federal funding allocated to transit, **but it is imperfect in measuring transit's success**
- > Last year we asked: How does transit access across the region vary?
- > **New:** How did pandemic service cuts affect access to essential destinations? What does access “currently” look like?
- > Intuitive relationship: **improving access leads to improved ridership**
- > **Can help operators adjust service to reflect priorities**



## **PRIORITY PROJECT INVESTMENT LIST: APPROACH TO AFY 22 / FY 23G**

Aileen M. Daney

[adaney@ATLtransit.ga.gov](mailto:adaney@ATLtransit.ga.gov)

May 6<sup>th</sup>, 2021



## WHAT IS THE PRIORITY PROJECT INVESTMENT LIST?







*The Priority Project Investment List provides state legislators with a simplified list of federal, state, regional, and local project priorities, reflecting a geographic balance across the region and a variety of project types, to support the strategic use of state resources.*

# WHAT DOES THE PRIORITY PROJECT INVESTMENT LIST INCLUDE?

- ▶ **At a minimum, the list includes regionally and state significant projects the ATL is statutorily required to annually submit** to the Governor's Office of Planning and Budget (OPB) and General Assembly for potential inclusion in the state bond package
- ▶ The list also **includes projects recommended to receive the newly created rideshare fees** which provide a dedicated opportunity to fund transit

**The list meets the ATL's statutory requirement but also has an additional benefit of including projects recommended for rideshare fees**

## HOW ARE PRIORITY PROJECTS SELECTED?

- 1**  Project **meets administrative requirements**
- 2**  Project is **included in adopted ATL Regional Transit Plan (ARTP)**
- 3**  Project **performed well in the ARTP Project Performance Framework**
- 4**  Project reflects **local, regional, state, or federal priority**



## WHAT ARE ADMINISTRATIVE REQUIREMENTS?



### ► Regulations associated with the apportionment of the funding

- **Row A & Row B**, for example, highlight that priority projects recommended for the state bond package and rideshare fees can **only be used for capital transit projects**
- **Row C** highlights the **timely expenditure for bond proceeds**, a federal requirement

Row	Administrative Requirement	Priority Projects Recommended for State Bond Package	Priority Projects Recommended for Ride Share Fees
A	Appropriated for Capital Projects	✓	✓
B	Appropriated for Planning Projects		
C	Spend Down Requirement	✓	



# REFRESHER ON PROJECT PERFORMANCE FRAMEWORK



## Project Evaluation



### Regional Significance

Does the project meet 3 of 6 criteria to be considered regionally significant?

### Relative Cost-to-Impact

Does the project have a higher impact relative to other projects?

### Six Governing Principles

Does the project meaningfully advance the ATL's governing principles?



Return on Investment



Mobility & Access



Innovation



Equity



Economic Development & Land Use



Environmental Sustainability



## PROJECT INFORMATION SHARED IN THE LIST

- ▶ Project Name
- ▶ Sponsor
- ▶ Project Type
- ▶ **Total Capital Cost**
- ▶ **Funding Phase**
- ▶ **Estimated Start Date**
- ▶ **Project Benefit**
- ▶ **Recommendation for State Bond Package, Ride Share Fees, or both**

**Goal: Enable legislators to easily understand how projects would advance and what benefits they offer with the State's investment.**



# PRIORITY PROJECT INVESTMENT LIST: KEY SCHEDULE STEPS





## REGIONAL FARE POLICY STUDY UPDATE

Cain Williamson, Chief Planning Officer

May 6, 2021



Current Project Phase:

Identify Possible  
Regional Fare Collaboration Standards

# Pillars of Cooperative Regional Fare Collection Standards

## Fare Structure/Policy

Seamlessness of fare charges to the regional transit rider will be an objective of every partner, with particular attention to multi-agency trips and transfer connections.

## Fare Collection Technology

Seamlessness of rider's fare payment process will be an objective of every partner.

## Fare Administration

Partners will maximize each other's read access to fare revenue, fare collection, and fare administration data.

## Fare System Procurements

Partners will plan procurement with each other and coordinate during RFP/RFQ development.

# Pillar #1: Fare Structures that Are Convenient for Riders

## Candidate Fare Structure/Policy Principles

- Inform each other of proposed changes
- Multi-agency products available
- Rider classes (age, etc.) standardized
- Transfer rules standardized
- Multi-ride products are shared and standardized
- Time/distance-based charges standardized
- Sub-mode definition standardized
- WHAT ELSE?

## Pillar #2: Fare Technologies that Make Riding Easy

### Fare Collection Technology Principles

- Technology should function across & interface between all systems as efficiently as feasible
- All partners share fare collection technology planning
- Open account-based systems will be an objective of every partner
- Use of open APIs in collection and administration technology will be an objective of every partner
- Partners may jointly procure technology using capital procurement agreements
- WHAT ELSE?



## Pillar #3: Fare Administration that Cost-Effective

### Fare Administration Principles

- Partners will cooperate in reasonable fare data audits requested by other partners
- Fare revenue reconciliation shall be administered in collaborative and communicative way
- Policies related to revenue reconciliation shall be reviewed by partners on a regular basis
- Fare tables established as inputs to fare collection systems will be readable to all partners with revenue derived from the tables; data entry will be as cost-effective as possible.
- Partners will cooperate in providing data for fare-related complaint investigation by any partner for its riders.
- Partners will reimburse operating expenses allocable to fare collaboration (shared data entry, software maintenance, etc.) through operations funding agreements.
- WHAT ELSE?

## Pillar #4: Fare Procurements that Are Cost-Effective

### Fare System Procurements Principles

- Any fare technology procurement solicitation will be made available with reasonable notice to partners for comment.
- If requested, fare technology procurements and contracts shall name partners with options, as assignees, or with similar user rights.
- As appropriate for partner agency options, partner needs shall be listed and quantified.
- Partners included with such user rights shall cooperate to make the procurement as timely and cost-effective as feasible.
- Where feasible, partners will have the same intellectual property rights as the contracting agency.
- WHAT ELSE?

# Fare Committee

## Breeze partners

- ▶ CobbLinc
- ▶ Gwinnett County Transit
- ▶ MARTA
- ▶ Xpress

## Non-Breeze partners

- ▶ Bartow County Transit
- ▶ CPACS
- ▶ Connect Douglas
- ▶ CATs
- ▶ Coweta County Transit
- ▶ Forsyth County Dial-A-Ride
- ▶ Henry County Transit
- ▶ Paulding Transit

## Funding agencies

- ▶ Atlanta Regional Commission
- ▶ Georgia Department of Transportation

# Fare Committee

## ► Settings

- What are the existing settings for inter-agency collaboration?
- What potential new settings could be created
- How can staff and boards be involved?

## ► What kinds of activity should a fare committee undertake:

- Teach new developments
- Exchange information
- Recommend principles
- Recommend specific fare structures, technology, or administrative process
- Adopt binding fare structures, technology or administrative processes, with delegated authority



## **Next Steps and Schedule**

# Workshop #4: Develop/Rank Collaboration Standards

## ► Partner's to-do's

- Revise and add principles of collaboration in fare structure, fare technology, fare administration, and fare system procurement
- Select most promising principles and processes
- Bring notes to Workshop #4 or e-mail [scott.baker@aecom.com](mailto:scott.baker@aecom.com)

## ► Next meeting: May 13, 2021

## Next Meeting topics:

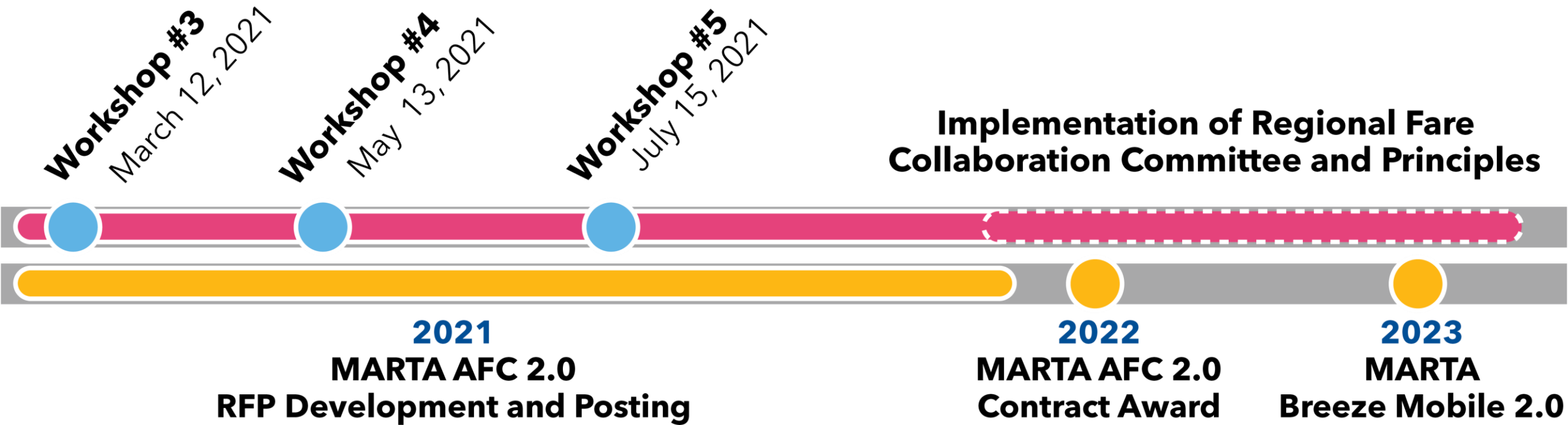
### ► Review of workshop #3 topics/decisions

### ► Presentation and discussion on work completed since previous workshop

### ► Discussion items:

- Development of Regional Fare Committee
- Poll to measure consensus
- Development of Regional Fare Collaboration Standards
- Poll to measure consensus

## Schedule: Overview





Thank you!






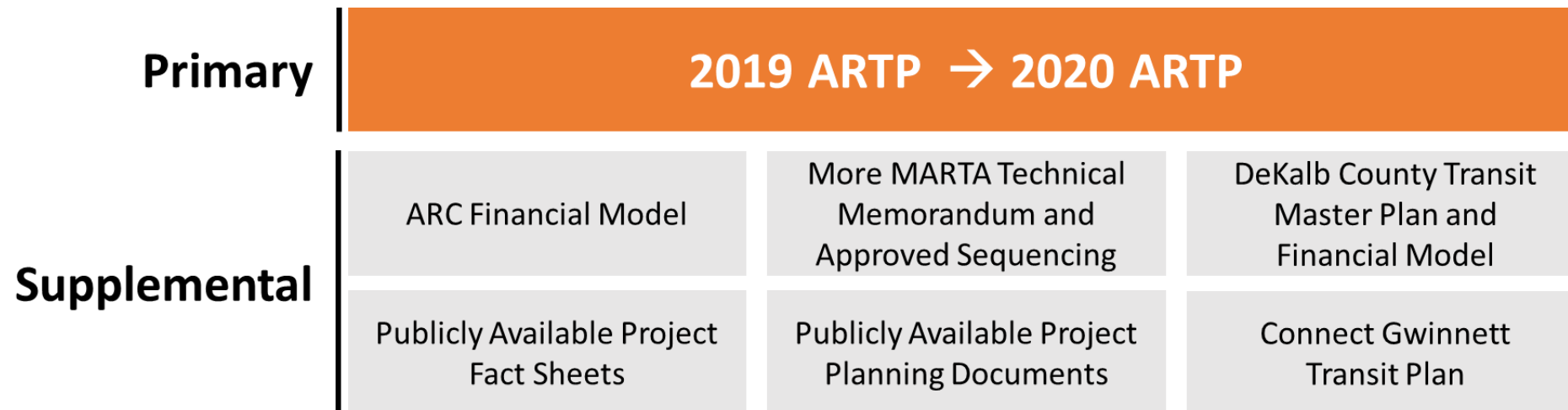
## 2020 ARTP FINANCIAL MODELING UPDATE

Jonathan Ravenelle, Transit Funding Director

May 6, 2021

# Developing the 2020 ARTP Baseline Financial Model

- ▶ Developed with consultant support and in partnership with  InfraStrategies
- ▶ Updated 15 existing projects with 2020 ARTP data, including project timelines
- ▶ Added five new project sheets to the model
- ▶ Refined key programmatic assumptions, including CIG Program shares



# Overview of the 2020 ARTP Baseline Financial Model

- ▶ Capital cash flow modeling tool that estimates annual capital costs, revenues, and funding gaps
- ▶ 2020 Model includes:
  - 20 projects with a total capital costs greater than \$100M (in base year dollars):
    - Projects submitted to 2020 ARTP with construction and open to revenue service dates
    - Projects submitted without dates, but were segments of larger corridor that had other segments with dates provided
  - All remaining projects with costs greater than \$100M aggregated into four larger project categories with a placeholder delivery assumption of 2050:
    - Gwinnett Projects over \$100M
    - DeKalb Projects over \$100M
    - City of Atlanta Projects over \$100M
    - City of Brookhaven Projects over \$100M

# Benefits of 2020 ARTP Financial Modeling Project

- ▶ Allows staff to identify additional needs for future data gathering as part of the 2022 Major ARTP Update
- ▶ Develops baseline model that will be utilized as starting point for financial modeling work in 2022 ARTP Update
- ▶ Helps to support and inform broader regional conversations on funding strategies
- ▶ Provides initial insights into funding strategy elements such as:
  - CIG Program Funding Assumptions
  - Project Phasing and Timelines for Funding Needs



# CAPITAL INVESTMENT GRANT (CIG) PROGRAM

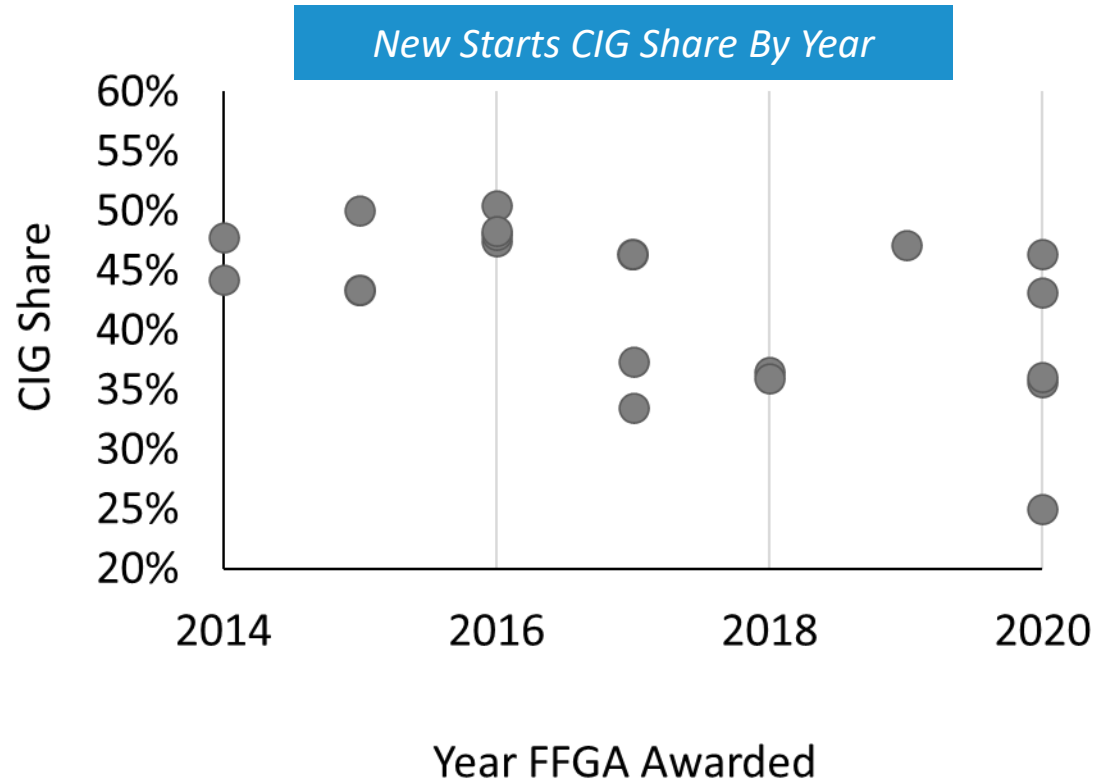
*Overview + Model Assumptions*

# FTA Capital Investment Grant Program - Overview

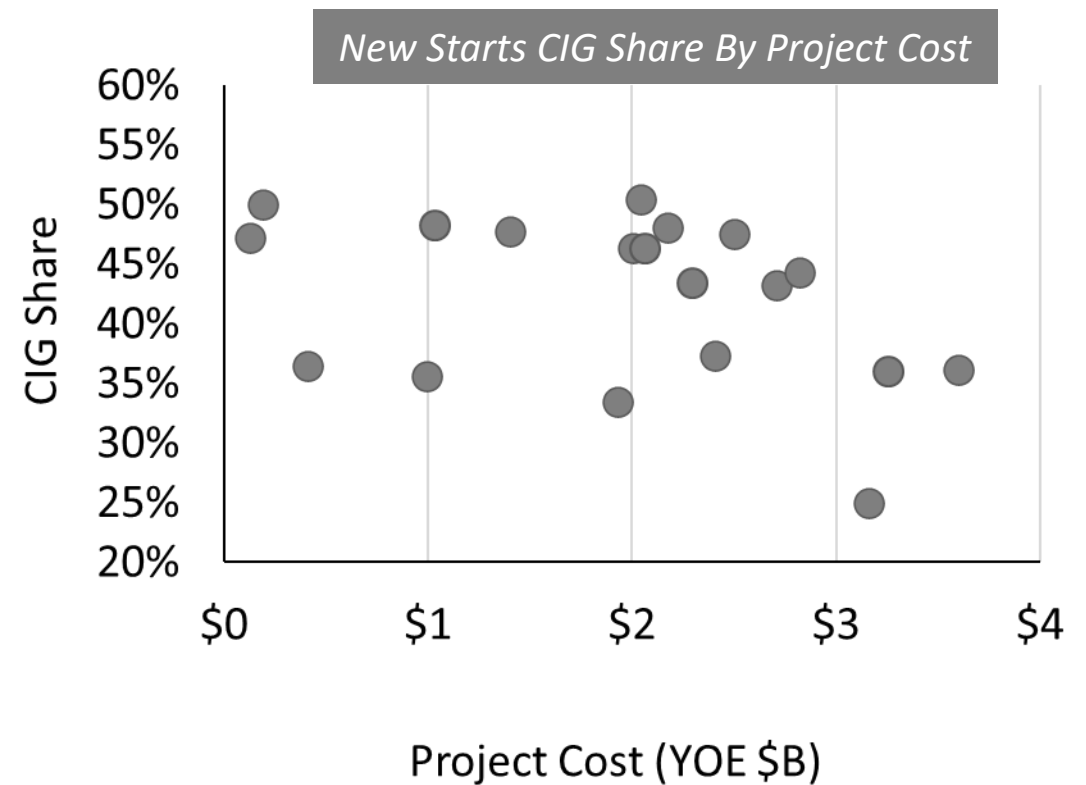
	New Starts	Small Starts
Project Cost Requirement	Allows for project costs greater than \$300M <b>YOE</b>	Limited to projects under \$300M <b>YOE</b>
Project Development Timing	Limited to 2 years to complete PD upon entry	No PD timing requirement
CIG Share	Allows for higher CIG share	Caps grants at \$100M, which limits CIG share for projects approaching the \$300M cost cap
Design Requirements	Over 50% of the route operating in separate right-of-way dedicated to transit use during peak periods with turning movements allowed in the right-of-way	Projects are not required to operate in a separate right-of-way
Weekend Service Requirements	Projects must operate 30-minute headways on weekends with at least 10 hours of service	No weekend service requirements
Cost and Schedule Sensitivity	Design and engineering should exceed 30% before entry into PD, with goal of exceeding 60% during PD to reduce risk	As costs near <b>\$300M YOE</b> , risk of lower CIG share and/or becoming ineligible for Small Starts
Segmentation	Allows for earlier delivery of larger segments	Requires segmented delivery of smaller segments under \$300M YOE

- FTA CIG Program is a **discretionary grant program that funds major transit capital investments**
- Funding for significant investment in project types that include **heavy rail, commuter rail, light rail, streetcar, and bus rapid transit** projects
- Federal transit law requires transit agencies seeking CIG funding to **complete a series of steps over several years**
- Federal law **requires projects to be rated** by FTA at various points and will **compete for funding with other projects nationally**

# New Starts CIG Program Assumptions - 2020 ARTP Financial Model



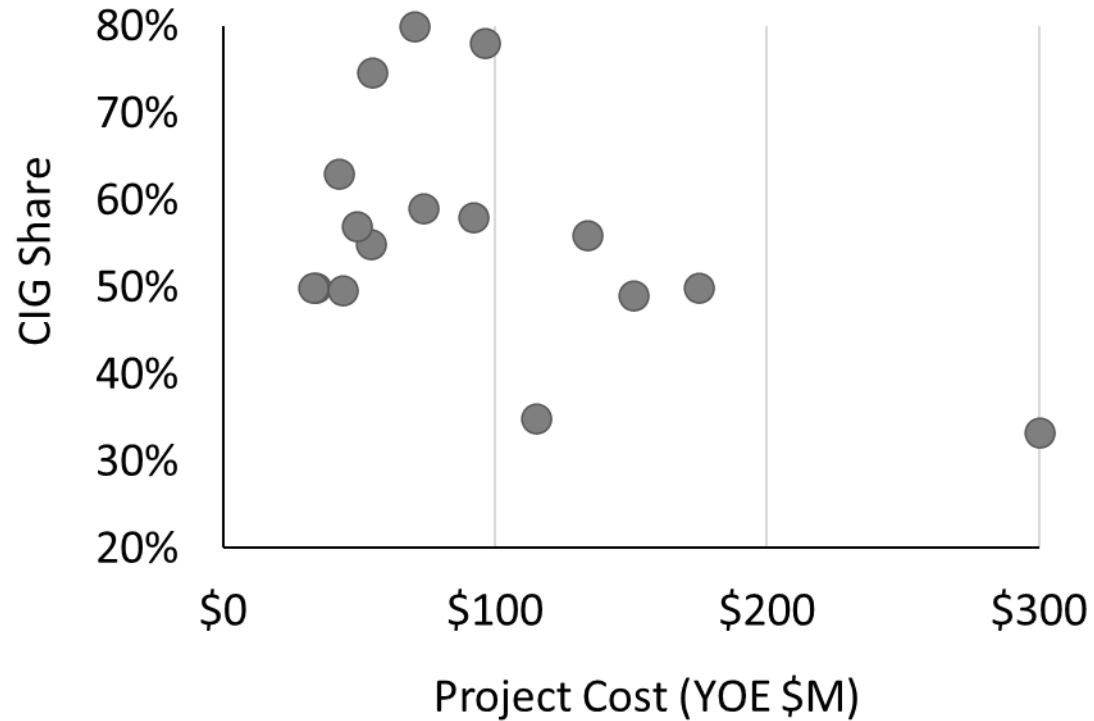
- New Starts CIG Share has consistently average 50% or less over last 6 years



- As New Starts total project cost increases federal participation tends to decrease

Source: InfraStrategies LLC, 2020  
New Starts and Core Capacity Projects Awarded FFGAs (FY14 – Present)

# Small Starts BRT CIG Program Assumptions - 2020 ARTP Financial Model



Project	Total Cost (\$M)	CIG Funds (\$M)	CIG Share (%)
Albany River Corridor	42.5	26.9	63%
Albuquerque Rapid Transit	133.7	75.0	56%
Everett, WA Swift	73.6	43.2	59%
Grand Rapids Laker Line	70.2	56.2	80%
Indianapolis Red Line	96.3	75.0	78%
Jacksonville East	34.0	16.9	50%
Jacksonville SW	33.0	16.5	50%
Kansas City Prospect Avenue	54.2	29.9	55%
Minneapolis Orange Line	150.7	74.1	49%
Portland Division Street	174.8	87.4	50%
Reno Virginia Street	114.9	40.4	35%
Spokane Central City	92.2	53.4	58%
El Paso Montana Rapid Transit	49.2	28.2	57%
St. Petersburg Central Avenue BRT	43.9	21.8	50%
Miami-Dade South Corridor	300.0	99.9	33%
Milwaukee East West BRT	54.8	40.9	75%

Source: InfraStrategies LLC, 2020

Adapted from FTA signed and anticipated Capital Investment Grant (CIG) Funding Agreements, 1/20/2017-12/17/2020

- Small Starts BRT projects CIG share is generally higher for projects with lower overall project costs



# 2020 ARTP Financial Model – CIG Program Assumptions

## New Starts

- **35% CIG Share** for all projects > \$3B in YOE dollars
- Projects < \$3B in YOE dollars
  - **40% CIG Share** for LRT, HR, or CR projects
  - **50% CIG Share** for BRT or Bus projects

## Small Starts

- Small Starts projects were assumed to receive a max grant of **\$100M** or **50%** of the project costs, whichever was less
- Small Starts projects must keep YOE project costs under **\$300M** threshold to maintain eligibility

- Model applies programmatic CIG assumptions based on recent FTA awards and each project's cost and design eligibility
  - Some BRT projects received similar or higher shares compared to ARTP submission
  - Some LRT or CRT projects received lower federal shares compared to ARTP submission to align with recent federal awards for peer rail projects
  - Some projects did not meet Small Starts and/or New Starts requirements and were adjusted accordingly

# Key Takeaways – 2020 ARTP Financial Model

- ▶ **Year of Expenditure (YOE) cost inflation can have significant impacts on whether a project qualifies for New Starts vs. Small Starts**
  - FTA CIG baseline **inflation assumption is 3.5%**
  - Projects forced to upgrade to New Starts because of **YOE cost inflation could have impacts on project design and project timeline**
    - Must have at least 50% dedicated right-of-way during peak periods
    - Must operate high frequency service at headways defined by FTA
  
- ▶ **Managed lane projects (Georgia 400 BRT, I-285 Transit in Express Lanes projects) are not eligible for New Starts**
  - The statutory **definition of “fixed-guideway BRT”** requires a project to operate in a **separate right-of-way** during the peak hour
  - If the **project costs for a managed lane bus project increase to over \$300M in YOE dollars, the project is no longer eligible for CIG funding.**

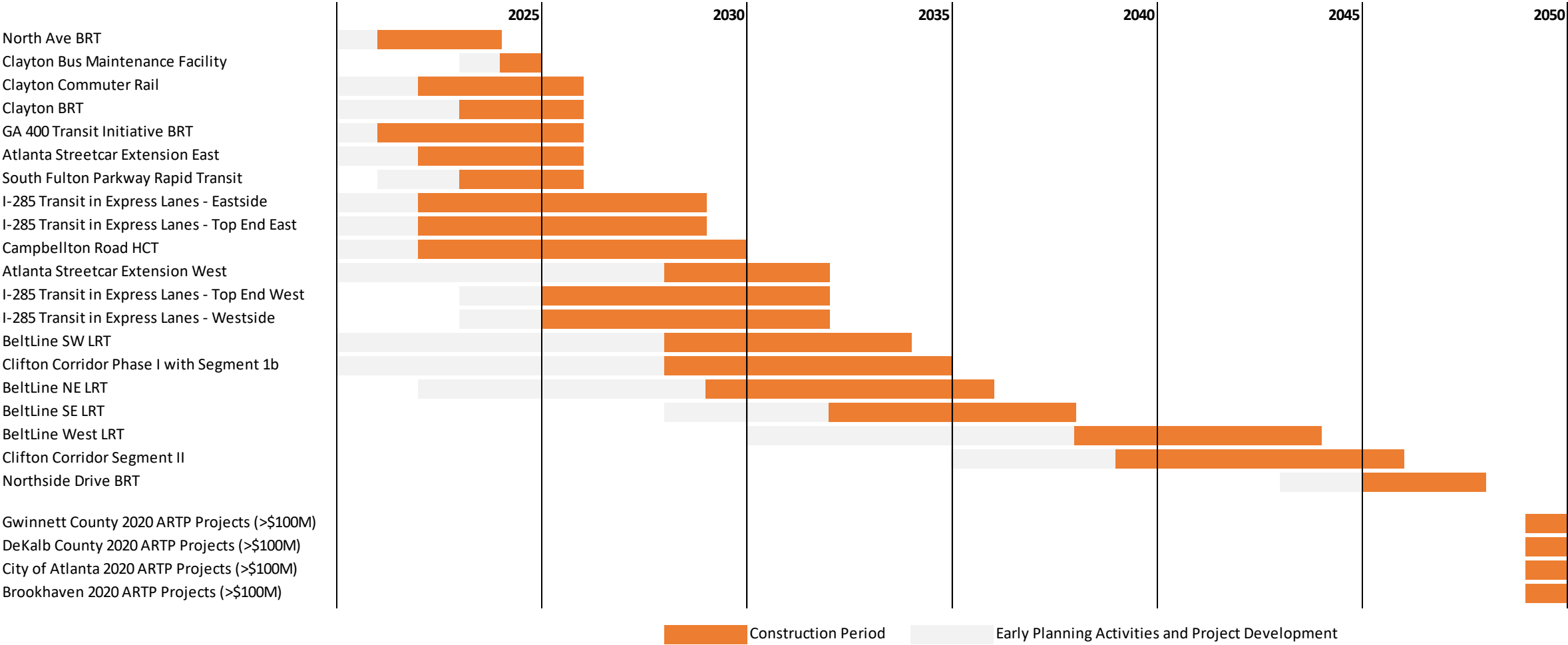
# Key Takeaways - Future CIG Opportunities

- ▶ **Potential for future policy changes by new Administration could impact region's CIG strategy:**
  - Increasing CIG shares above recent awards (35-50% New Starts, 50-60% Small Starts)
  - Increasing Small Starts maximum grant award above \$100M (previously proposed \$200M)
  - Increasing Small Starts maximum total project cost above \$300M (previously proposed \$400M)
  - Expanded New Starts eligibility to certain corridor-based BRT projects (e.g., Transit in Express Lanes)
  
- ▶ **Increasing Small Starts project caps or expanding New Starts eligibility definition would allow project sponsors to collapse multiple project segments into one project**
  - Reduced number of times project sponsors will be required to go through CIG process
  - Potentially streamlines funding strategies for major projects such as I-285 Top End ELT
  
- ▶ **ATL Government Affairs staff is actively engaged with Congressional delegation on each of these CIG items**



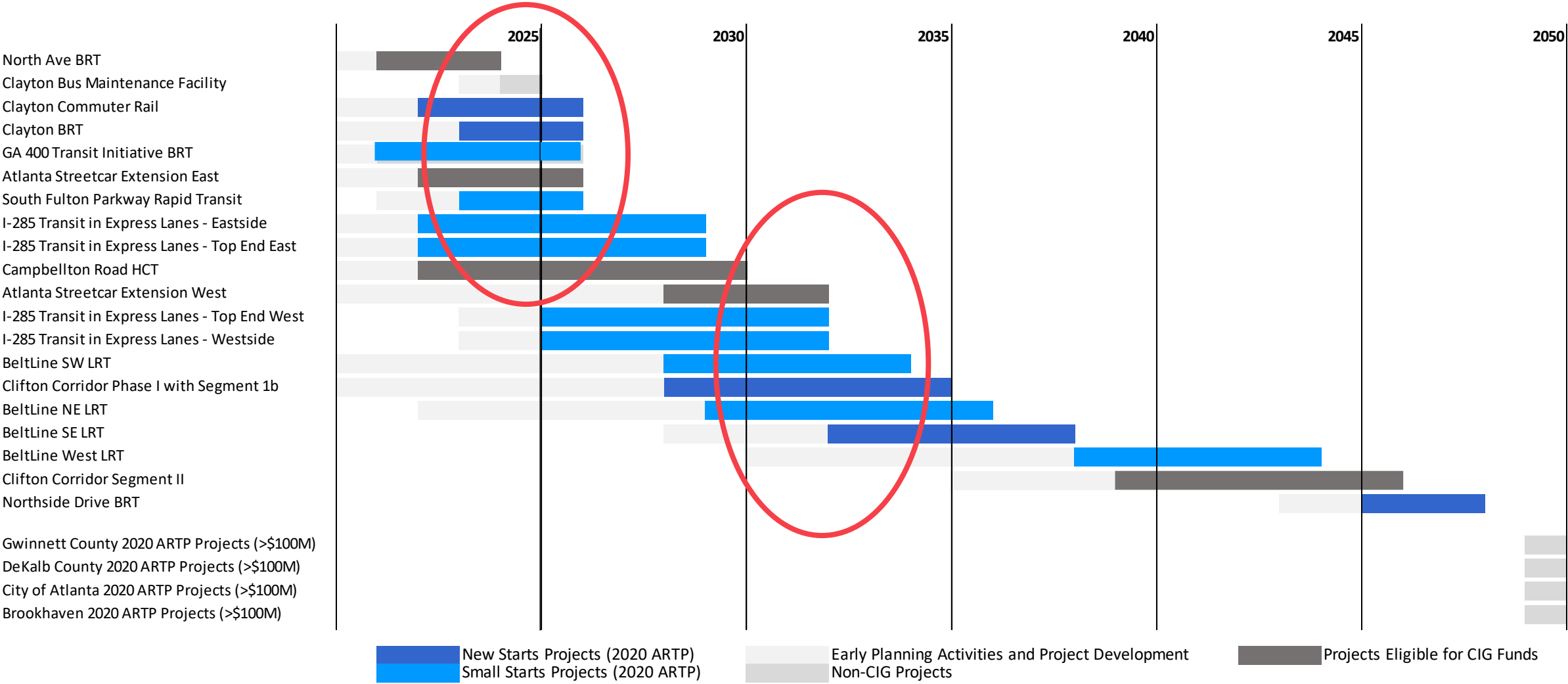
## PROJECT TIMELINES + PHASING

# Model Phasing Assumptions *(based on 2020 ARTP submissions)*



# Model Phasing Assumptions

## Capital Investment Grant (CIG) Program Eligibility



# Regional CIG Program Utilization

- ▶ Significant number of projects with costs greater than \$100M planned/eligible for CIG (New Starts and Small Starts over the next 15-20 years:
  - 12 projects with ARTP assumptions of New/Small Starts from now through 2035
  - 16 projects eligible for funding through CIG from now through 2035
  - Does not include additional projects less than \$100M as well as projects coming through current Cobb CTP process, future Gwinnett transit expansion planning, as well as potential future DeKalb and Fulton Transit SPLOSTs
- ▶ Highest level of CIG utilization by UZA's has generally ranged from 5-6 projects over a 15-year period

## Key Project Phasing/Timeline Takeaways – 2020 ARTP Financial Model

- ▶ Will be necessary to support **regionalized strategies for developing funding approaches** that look to take the place of CIG funding for some projects
  - Opportunities to develop strategies that leverage State investment, FHWA Flex Funding, and other fed. discretionary funding that helps take place of CIG funding
  - Approaches should be coordinated so projects/project sponsors can identify whether to either focus on CIG process or alternative funding stacks specifically
- ▶ Future Surface Transportation Bill changes to CIG project definitions and project cost/award caps could have **significant positive impacts for Atlanta region**
  - Potentially will allow project sponsors to collapse multiple project segments into one project reducing total number of projects relying on CIG





## **BASELINE SCENARIO MODEL REVIEW**

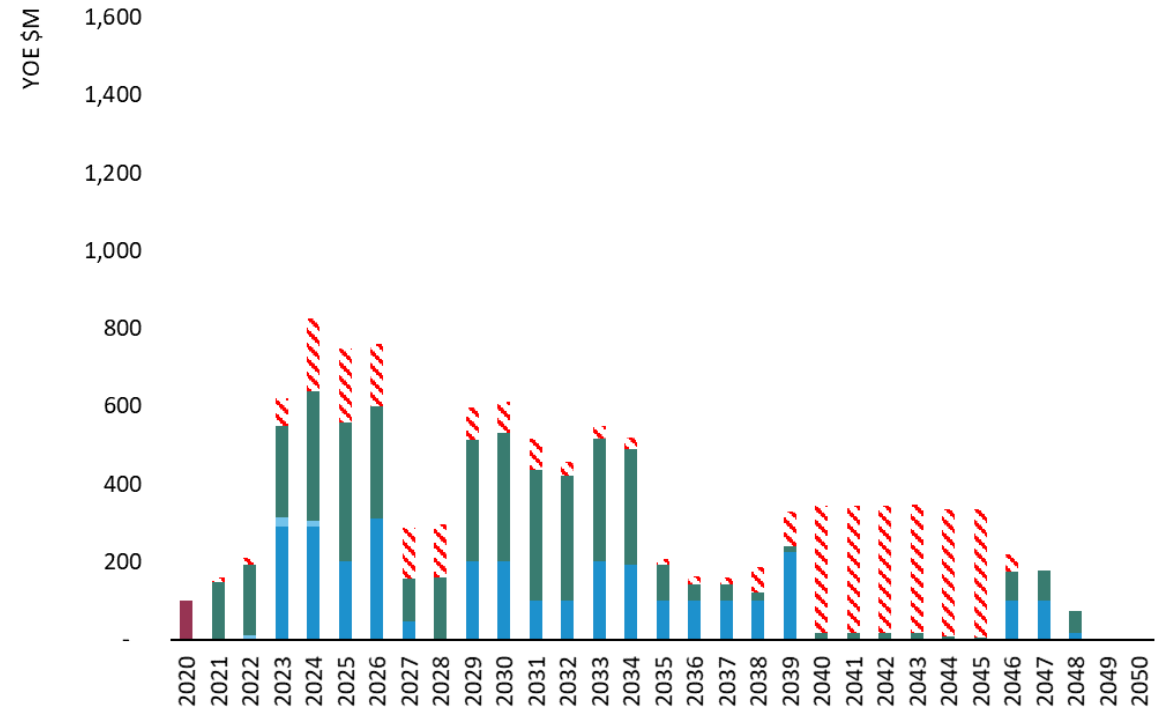
# 2020 ARTP Financial Model: Baseline Scenario – 20 Project >\$100M

## 2020 ATL Regional Transit Plan Financial Summary in YOE \$M

	YOE \$M	%
<b>TOTAL PROGRAM COSTS</b>	<b>\$10,811</b>	<b>100%</b>
CIG (New Starts/Small Starts) Grants	\$2,975	28%
Other Federal Funding	\$45	0.4%
State Funding	\$100	0.9%
Local Sales Tax Revenue (Existing)	\$4,221	39%
Value Capture Revenue	-	-
<b>TOTAL PROGRAM REVENUE (\$M YOE)</b>	<b>\$7,341</b>	<b>68%</b>
<b>FUNDING GAP (\$M YOE)</b>	<b>\$3,470</b>	<b>32%</b>

Note: Totals are shown in year of expenditure (YOE) dollars and may not sum due to rounding

## 2020 ATL Regional Transit Plan Cash Flow in YOE \$M





## OVERALL KEY TAKEWAYS

# Key Takeaways – 2020 ARTP Financial Model

- ▶ Strong need for a **coordinated regional funding strategy** around delivering capital program of transit projects in Atlanta region
  - Critical for regional funding strategy development to be done in a collaborative manner that brings all partners to the table (GDOT, MARTA, ARC, Cobb, Gwinnett, and others)
- ▶ Although funding gaps exist there are **substantial opportunities** to tap into other funding streams with significant impact on project delivery:
  - State Investment
  - FHWA Flex Funds
  - Innovative Funding/Financing/Value Capture
- ▶ 2022 ARTP Process will help **further refine and develop programmatic funding strategy** for regional priority transit network
  - Projects will need to be robustly analyzed to ensure assumptions are valid and consistent (on a per mile and YOE basis) in order for the region to make funding decisions on strategic approaches