



# Capital Project Selection Framework Infrastructure Stimulus Update

BART Board of Directors

June 24, 2021



# Presentation Overview

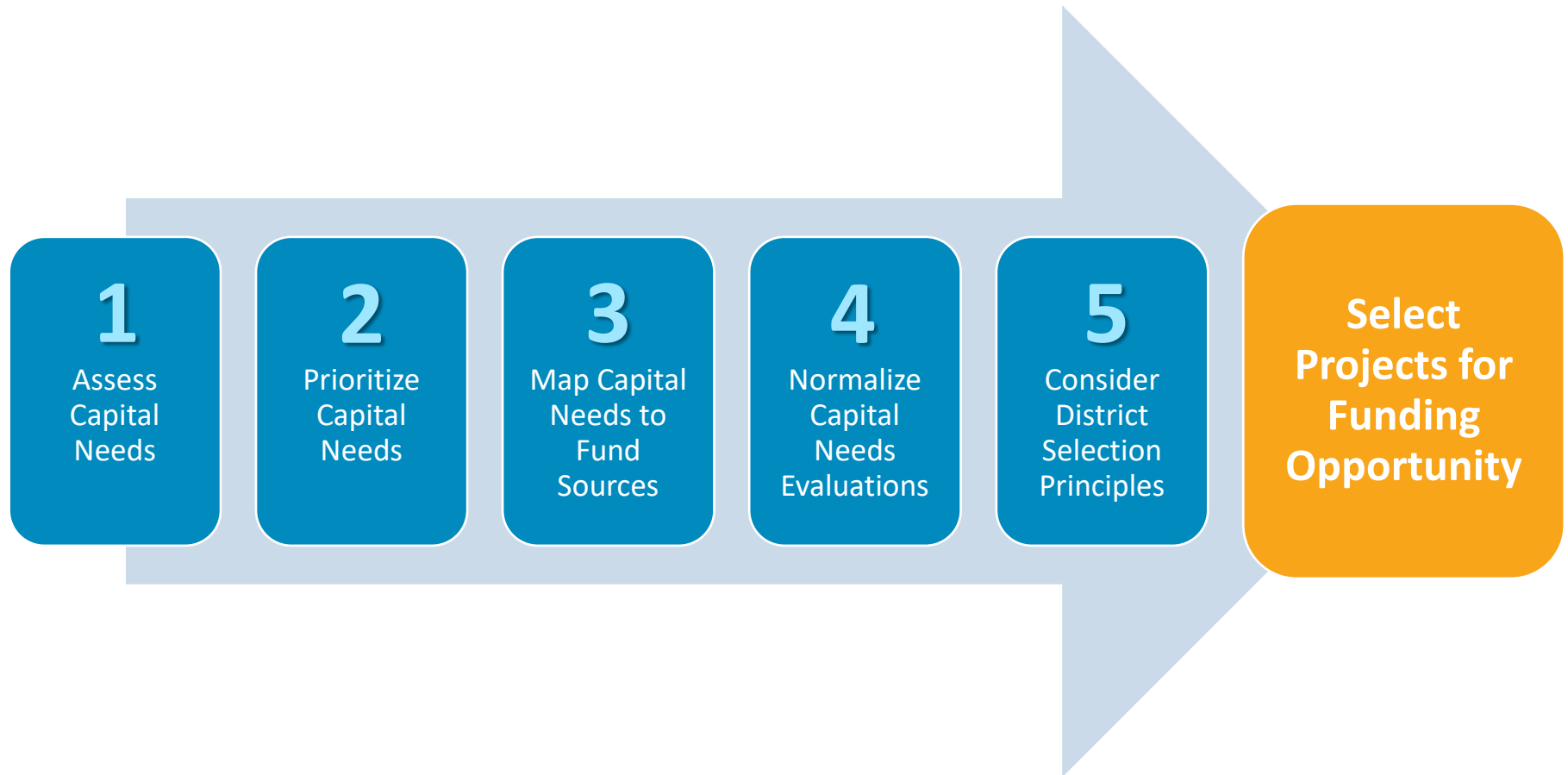
1. Capital Project Selection Framework
2. Capital Program Federal Funding Opportunities
  - Review of Board Workshop/Board Direction
  - Federal Legislative Activity Update



# Capital Project Selection Framework



# Capital Project Selection Framework



# Capital Project Selection Framework – Step 1

## 1. Confirm unfunded or underfunded capital needs.

- **Capture** the full picture of capital needs by Executive Office
- **Identify** unfunded projects and funding gaps in active projects, including planning and development needs for future capital projects
- **Leverage** existing data sources, including the Asset Management Plan, Capital Improvement Program (CIP), State of Good Repair (SOGR) Capital Needs Inventory (CNI) and the Strategic Plan



# Capital Project Selection Framework – Step 2

## 2. Apply BART Capital Needs Prioritization Criteria

- **Assess** unfunded or underfunded capital needs using BART capital project prioritization criteria
- Base assessment on **objective** and **quantitative data**

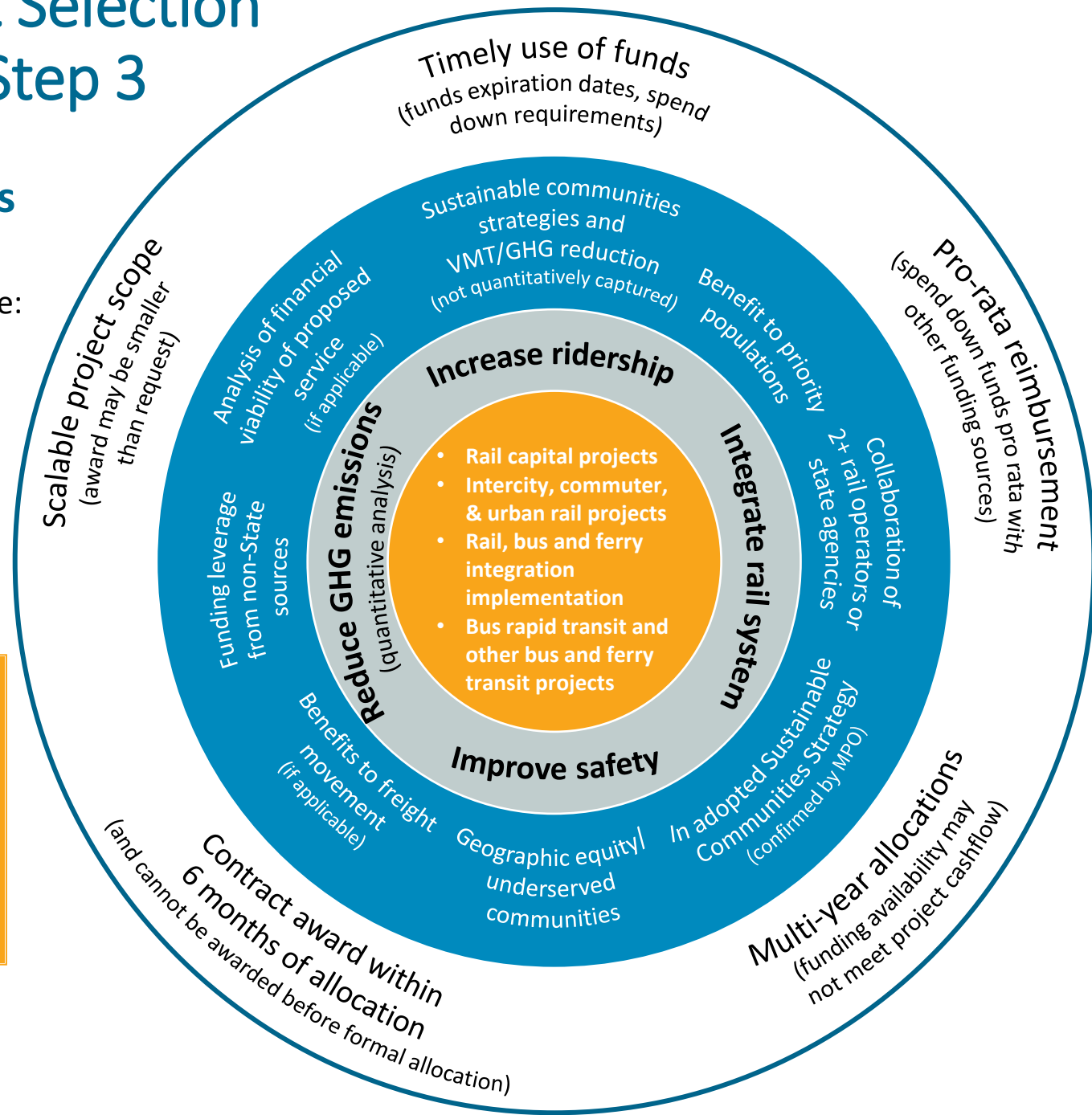
RISK	SAFETY	COMPLIANCE	RELIABILITY
OPERATIONAL EFFICIENCIES	OPERATING SAVINGS	SUSTAINABILITY	RESILIENCE
CUSTOMER EXPERIENCE & RIDERSHIP	EQUITY	TIME CRITICALITY	

# Capital Project Selection Framework – Step 3

## 3. Map capital needs to fund source.

- Funding is not fungible:
  - Eligible projects
  - Primary evaluation criteria
  - Secondary evaluation criteria
  - Funding and project delivery requirements and constraints

EXAMPLE  
Transit & Intercity  
Rail Capital Program



# Capital Project Selection Framework – Step 3

## 3. Map capital needs to fund source to optimize probability of securing funding.

- Will use Capital Project Selection Framework to advance projects under a federal Infrastructure Stimulus Bill
- Priorities/program guidelines could include:

SHOVEL-READY / SHOVEL-WORTHY	STATE-OF-GOOD-REPAIR	BOOSTS RESILIENCE	MITIGATES GHG EMISSIONS
DELIVERS CRITICAL PROJECTS	SUPPORTS AMERICAN WORKERS	ADDRESSES EQUITY	

# Capital Project Selection Framework – Step 4

4. **Normalize evaluation of projects** across all project development and delivery Executive Offices (EOs) to ensure consistency.
- **Advance** District-wide priorities
  - EOs **submit** their top-100 projects, identified, scored, and mapped under Steps 1 through 3
  - **Compile** submittals and normalize prioritization and fund mapping
  - **Review and confirm** normalized prioritized and mapped project list

# Capital Project Selection Framework – Step 5

## 5. **Consider District Selection Principles** in selection of projects for submittal:

- **Optimize Probability of Securing Funding**
  - Advance projects that best fit guidelines and rules of the funding program
  - Package needs into compelling project or program bundles
- **Seek to Close Funding Gaps on Critical Projects**
  - Prioritize completing the funding plan for projects that are already under contract/construction
- **Advance Hard-to-Fund Programs/Projects**
  - Give preference to projects that are difficult to fund through existing fund sources
- **Target Programmatic Balance**
  - Seek funding within following ranges:
    - 55-70% Systemwide State of Good Repair (includes security & sustainability elements)
    - 30-45% Core Capacity, Service Improvements & Expansion, and Station Modernization (includes security & sustainability elements)
    - 1-3% Security & Sustainability Improvements (stand-alone projects – security & sustainability elements also included in projects under other programs)



# Capital Program Federal Funding Opportunities



# FY22 Appropriations – Timeline

## February

- House announces opportunity for members to submit Community Project Funding (CPF) requests

## March

- House Appropriations Committee releases CPF guidance

## April

- BART submits CPF requests to House members (early-mid April)
- Senate announces restoration of congressionally directed spending (CDS)
- Deadline for House members to submit CPF requests (April 30)

## May

- BART submits CDS requests to Senators Feinstein & Padilla
- President's FY22 Budget released

## June

- Deadline for Senators to submit CDS requests (mid-late June)
- House Appropriations subcommittee and full committee mark-ups through July

## July

- House Appropriations bills considered by full House
- Senate to begin subcommittee mark-up

## August

- Congressional Recess

## September

- Likely passage of a Continuing Resolution

## October

- Start of FY22

## November/December

- House and Senate negotiate on an FY22 omnibus appropriations bill with expected passage before end of calendar year

# Surface Transportation Reauthorization – Timeline

## March

- House Transportation & Infrastructure (T&I) Committee announces opportunity for members to submit project funding requests
- Committee guidance released (March 23)

## April

- BART submits project and programmatic requests to House members (early-mid April)
- Deadline for members to submit project requests (April 27)

## May

- T&I Committee announces over 2,000 projects submitted from 318 House Members
- Senate EPW Committee introduces and passes bipartisan Surface Transportation Reauthorization Act of 2021

## June

- T&I Committee introduces INVEST in America Act and releases list of Member Designated Projects
- T&I Committee mark-up and vote

- Full House vote on INVEST in America Act (week of June 28)
- Senate Commerce to mark up rail title on June 16

## July/August

- Congressional Recess

## September

- Current authorization bill expires
- Likely short-term extension

\*Senate Banking has yet to mark up its transit title.

\*\*Neither House Ways & Means nor Senate Finance have marked up their respective titles that would signal how the bill would be paid for.

# FY22 Appropriations & Surface Transportation Reauthorization Earmarks – BART Project Requests

BART's **Capital Project Selection Framework** informed the selection of projects to advance for consideration and assessed many factors, including:

- Priority and urgency of project need
- Project does not compete well/insufficient funding from existing grant programs
- Location of project within Congressional districts; assessment of probability of member/community support
- Committee guidance
- Funding obligation requirements

# BART Project Requests

## FY22 Appropriations

- Link21 Equity & Co-creation Workshops (House member request) - \$1.5M
- Next Generation Fare Gates (Senator Feinstein request) - \$5M
- Powell Street Station Elevator Renovation (Senator Padilla request) - \$5M

## House Surface Transportation Reauthorization (STR)

- Embarcadero Station Platform Elevator Capacity & Redundancy - \$6.3M  
✓ *Submitted by Speaker Pelosi*
- Station Restroom & Lighting Enhancements - \$3M  
✓ *Submitted by Rep. Lee*
- Fleet of the Future Maintenance Facility - \$20M  
✓ *Submitted by Rep. Swalwell*
- Access & Mobility for All (Systemwide Elevator Modernization and Next Generation Fare Gates) - \$20M
- Link21 Planning/Design/Environmental - \$250M

# BART STR Programmatic Requests

- **30%** increase in Federal Transit Administration (FTA) Capital Investment Grant (CIG) funding for projects with Full Funding Grant Agreements
- **50+%** increase to FTA formula programs
- Creation of new **Transformational Rail and Integrated Networks (TRAINS) Program** to support megaregional, multi-modal programs not accommodated within existing federal programs

# INVEST in America Act (H.R. 3684)

- **June 4:** bill introduced by the House Transportation & Infrastructure (T&I) Committee
- Provides **\$547 billion** over five years
  - \$343 billion for roads, bridges, and safety
  - \$109 billion for transit
  - \$95 billion for passenger rail
- Includes **\$14.9 billion** in contract authority for Member Designated Projects
- **June 10:** T&I Committee passed bill (38-26) with two Republicans voting in support
- **Week of June 28:** House Floor vote
- House Ways & Means Committee now tasked with producing revenue text

# Key Provisions within INVEST in America Act

## Member Designated Projects

- 1,473 projects included, totaling \$5.7B, nationwide
- **Two BART projects, totaling \$9.25M, selected:**
  - Embarcadero Station Platform Elevator Capacity & Redundancy (\$6.25M)
  - Station Restroom & Lighting Enhancements (\$3M)

## Formula Funding Increases

- **Grows by over 70%** overall FTA formula funding

## Federal Share Adjustments

- Authorizes additional appropriations in FY22 to **increase by up to 30%** the federal share of a new starts, **core capacity**, or small starts project

## Passenger Rail Improvement, Modernization & Expansion (PRIME) Grants

- **Creates a new \$25B competitive grant program** to improve mobility, operational performance, or growth of high-speed or intercity passenger rail corridors.

# President's American Jobs Plan

- \$2.3T in infrastructure investment plan over eight years; includes \$621B for transportation infrastructure and resilience
- Plan would be paid for by a Made in America Tax Plan that seeks to raise over \$2T over 15 years to pay for mostly one-time investments and reduce deficits on a permanent basis

## Bipartisan Challenges

- For months, the President has attempted to find a bipartisan agreement on infrastructure – first with Republican leaders and now amid a growing group of bipartisan Senators
- Bipartisan group supports a much smaller (\$974B – 1.2T) five-year proposal with an emphasis on “core physical” infrastructure
- The biggest challenge continues to be how to pay for investment plan
  - Republicans want to use unspent COVID-19 relief money and user fees
  - Democrats focusing on tax increases
- Even with a budget reconciliation strategy, 50 votes in the Senate is not guaranteed

# Looking Ahead

- July 22: Capital Program Controls agenda item
- Federal funding updates as bills advance
- Any questions?



BART  
**ba**

