



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 20, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Resolution to Support Proposed Grant Applications to the U.S. Department of Transportation and Office of the Secretary of Transportation for Transportation Projects Eligible Under Better Utilizing Investments to Leverage Development (BUILD). [ROLL-CALL VOTE]

ISSUE: Consideration of a resolution to support proposed grant applications to the Department of Transportation and Office of the Secretary of Transportation for Transportation Projects Eligible under the Better Utilizing Investments to Leverage Development (BUILD) for Grant Funding.

RECOMMENDATION: That the City Council:

1. Authorize and approve the submission of an application for up to \$25 million in BUILD funds to the United States Department of Transportation (DOT) for the West End Transitway Corridor Investments; and
2. Authorize the City Manager to execute all necessary documents that may be required under this program.

BACKGROUND: The Consolidated Appropriations Act of 2018 appropriated \$1.5 billion to be awarded by the U.S. DOT for National Infrastructure Investments. This appropriation stems from the program funded and implemented pursuant to the American Recovery and Reinvestment Act of 2009. This program was previously known as the Transportation Investment Generating Economic Recovery (TIGER Discretionary Grants) program and is now known as the Better Utilizing Investments to Leverage Development or (BUILD) Transportation Discretionary Grants Transportation program.

Funds for Fiscal Year (FY) 2018 BUILD Transportation program are awarded on a competitive basis for projects that will have a significant local or regional impact. For this round of BUILD Transportation Discretionary Grants, the maximum grant award is \$25 million, and no more than \$150 million can be awarded to a single state, as specified in the FY 2018 Appropriations Act. This Act allows up to \$15 million for the planning, preparation or design of projects eligible for BUILD transportation funds. The FY 2018 BUILD program will give special consideration and funding of at least \$500 million to projects located in rural areas. In recent years, the TIGER Grant Program has had multiples more in applications than there has been money available, and this is expected to be the case with the BUILD program as well.

The following factors will be used to score submitted projects: merit criteria, project readiness, benefit cost-analysis, and submission dates and times. DOT reviews all applications received by the deadline and rates projects based on how well the projects align with the selection criteria.

After applications are submitted on July 19, 2018, staff from DOT will screen candidate projects to determine if they qualify to be scored. Selected projects will be scored in Fall 2018. The FY 2018 Appropriations Act mandates that BUILD Transportation grants be awarded by December 18, 2018.

DISCUSSION: Based on the guidelines and criteria outlined in the BUILD Notice of Funding Opportunity (NOFO), staff proposes the 'West End Transitway Corridor Investments' project be submitted for funding.

- **West End Transitway Corridor Investments: \$25,000,000** - This project will design and construct essential elements of the West End Transitway, a BRT (Bus Rapid Transit) service providing high capacity, frequent transit service between the Van Dorn Metrorail station and the Pentagon. The service will connect major employment, residential, and transit hubs to the regional Metrorail system. The funding request will leverage approved SMART SCALE funds and Northern Virginia Transportation Authority (NVTA) funds.

At its May 16, 2018 meeting, the Transportation Commission endorsed two projects for BUILD funding (Attachment 2). Staff informed the Commission that project scopes and/or cost estimates could be refined based on NVTA funding decisions for the FY 2018 through FY 2023 plan that had not yet been released. On June 14, the NVTA adopted the FY 2018 through FY 2023 Six Year Plan which includes \$12 million in 70% regional funds for the Duke Street Bus Rapid Transit project. Staff is therefore recommending that the Duke Street project not be included in the BUILD application request.

One project considered but not proposed for BUILD funding is a south entrance at the Potomac Yard Metrorail Station. While a grant funding option at some point in the future, this project does not meet the criteria for this year's BUILD program primarily for the following reason:

- BUILD funding is intended for "shovel ready" projects defined by the USDOT as those that can be obligated by September 2020 and completely expended by 2025, with no waivers available. Timing of BUILD obligation requirement is incompatible with the Potomac Yard Metrorail Station contract schedule, as the obligation deadline falls before the completion of the station.

FISCAL IMPACT: The funding provided through BUILD requires a 20 percent non-Federal match. Per the FY 2018 Appropriation Act, BUILD Transportation Discretionary Grants may be used for up to 80 percent of a project located in an urban area. Non-federal sources include State funds originating from programs funded by State revenue, local funds originating from State or local revenue-funded programs, or private funds. To meet match requirements, the project proposed for submission will require a \$5 million non-federal match, which can be funded by NVTA 70% regional funds that have already been awarded for the design of the Transitway.

If the West End Transitway is funded, there will be direct operating costs associated with the project in the form of increased operating subsidy to either DASH or WMATA, depending on the operator.

ATTACHMENTS:

1. Resolution May 16, 2018
2. Transportation Commission Letter
3. PowerPoint Presentation

STAFF:

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