



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

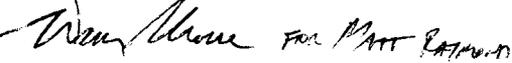
One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

DECEMBER 23, 2005

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER 

FROM: MATTHEW RAYMOND  FOR MATT RAYMOND  
CHIEF COMMUNICATIONS OFFICER

SUBJECT: NEW FEDERAL SMALL STARTS PROGRAM

ISSUE

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) was signed into law by President Bush on August 10, 2005 (Public Law 109-59). The law creates a new funding category for fixed guideway capital projects that cost less than \$250 million. This new category is referred to as the Small Starts Program and is intended to complement the existing New Starts program that is now dedicated to fund more costly fixed guideway capital projects.

BACKGROUND

SAFETEA-LU (Section 5309(e)) created the Small Starts category to expedite the construction of small fixed guideway projects, including streetcars, trolleys, bus rapid transit projects (those operating substantially in a separate right of way), and commuter rail projects. While the rule-making process for the Small Starts program is still being formulated by the Federal Transit Administration (FTA), the general approach is to create an "expedited and streamlined evaluation and rating process" for securing Small Starts funds.

The statutory federal share for the Small Starts Program is 80% of the total project cost and cannot exceed a total federal allocation of \$75 million from the program. The program will be funded with a \$200 million takedown from the New Starts apportionment annually, beginning in Fiscal Year (FY) 2007 and continuing until SAFETEA-LU expires in FY '09.

Section 5309(e)(4) of SAFETEA-LU outlines five project justification criteria to be used for the selection of Small Starts projects. The factors are as follows:

- the project's consistency with local land use policies and likeliness to achieve local developmental goals;
- the project's cost effectiveness at the time service is initiated;

- the degree to which the project will have a positive effect on local economic development;
- the reliability of the forecasting methods used to estimate costs and ridership of the project;
- other factors FTA determines are appropriate.

## CURRENT STATUS

Because SAFETEA-LU requires that FTA issue a regulation on the Small Starts program, they are now preparing to host a series of “New Starts/Small Starts Seminar and Listening Sessions.” These sessions are designed to solicit comments from transportation stakeholders, both public and private, from throughout the nation, with the goal of promulgating draft regulations by Spring 2006. Metro will be attending the sessions to be held in San Francisco and Washington, DC next year. Metro staff is working to craft language to present at these sessions that will serve to enhance the Congressional intent to make applying for Small Starts funds a streamlined process.

Metro’s Countywide Planning and Development staff is identifying projects in Metro’s current Long Range Transportation Plan for Los Angeles County that could be eligible for Small Starts funding.

Metro’s Government Relations Department is working to compile a listing of transportation projects from around the country, both rail and bus rapid transit, that may be in the running for Small Starts funding in FY ‘07. The Small Starts Program has attracted significant interest throughout the country and we anticipate intense competition for funding in FY ‘07 and beyond.

## NEXT STEPS

Staff will present a recommendation to the Board regarding adding a Small Starts project to our federal advocacy agenda. Should the Board of Directors decide to amend Metro’s Calendar Year 2006 Legislative Program by adding a Small Starts project to its advocacy agenda, Metro Government Relations staff will work to secure an appropriation for that project in the FY ‘07 Transportation appropriations bill.

Because the annual appropriations cycle for the second session of the 109<sup>th</sup> Congress begins early next year, the Board would need to select a Small Starts project to advocate by February of 2006. Traditionally, Congressional appropriations committees begin reporting their bills by May or June of a given year, with the goal of getting the measures signed into law by the end of the federal fiscal year, which next year is September 30, 2006.