

Programming American Recovery & Reinvestment Act Transportation Funds in the Capital District

Proposed 2007-12 TIP Amendment

The nation is currently experiencing an economic downturn, and recent actions by the federal government have focused on developing programs to stimulate the nation's economy. Designed to create jobs and deliver needed infrastructure to the country, President Obama signed the American Recovery and Reinvestment Act of 2009 on February 17, 2009. This legislation provides a nearly \$800 billion boost to the American economy. New York is expected to receive \$24.6 billion of that funding. The program includes funding for Medicaid, education, infrastructure and "shovel-ready" transportation projects.

At this time, New York expects to receive about \$1.1 billion for transportation investment. The CDTC area expects to receive \$65 million to \$75 million for roadway, bridge and bike/ped projects, and about \$14 million for transit. Additional funds will be made available for airport and port projects. A discretionary multi-modal program may also provide additional funding for shovel-ready transit projects.

The economic recovery funds coming to New York for transportation projects are required to be programmed to projects through the same process that all federal transportation funds follow, and are not under the discretion of the Governor's office. For the four-county Capital District region, the funds will be allocated to projects that are selected by CDTC. The twelve other Metropolitan Planning Organizations (MPOs) across the State will approve projects in their respective regions.

Project Selection

Since early December, the CDTC staff has been working with the New York State Department of Transportation, Capital District Transportation Authority, and other members to develop a comprehensive transportation stimulus proposal for the Capital District. Very tight deadlines imposed by the Federal process did not permit a comprehensive solicitation. In place of CDTC's traditional project selection process, CDTC staff and NYSDOT Region 1 staff worked with CDTC's Planning Committee to develop a alternative, streamlined approach.

The Planning Committee agreed that the best way to spend money quickly was to focus on existing priorities, and that TIP projects that were ready-to-go would have the best

chance of using available stimulus money. Consideration was also given to routine infrastructure work that could be designed quickly. All projects considered for stimulus funding would need to comply fully with the procedures and requirements described in NYSDOT's Local Federal-Aid Procedures Manual (NEPA, consultant selection, etc).

On January 23, 2009, the Planning Committee released a draft list of 91 roadway, bridge, transit, and bike/ped projects totaling \$483 million for public review. The Planning Committee held two meetings in February to further discuss the deliverability of projects on the Draft List, review public comments received to-date, and to determine which projects would have the best chance of using stimulus funds. Based on those discussions, the Planning Committee decided on a first come, first serve approach with the purpose of accelerating delivery of existing priority projects, and developed a revised list for the Policy Board approval that identifies: (1) those projects that have the best chance of obligation within 120 days (**Table 1**); (2) those projects that have the next best chance of obligation with 120 days or soon thereafter (**Table 2**); and (3) projects identified through the public review process, some old, some new, including projects that are "1R candidates" for funding under the 1R set aside (RG108, Preventive Maintenance (1R) on Local Federal-Aid System) (**Table 3**).

CDTC's priority is to accelerate implementation of critical projects already on the Transportation Improvement Program. Table 1 represents the best candidates to fulfill that priority. The projects in Table 1 include eight highway, four transit, and five enhancement projects, all of which are on CDTC's *2007-12 Transportation Improvement Program*. Spending stimulus money on existing TIP projects could "free-up" TIP funds on new projects or existing under-funded projects. The reprogramming would occur during the TIP update process, now underway. Table 1 also includes six new element specific initiatives which call for new investment in preventative bridge maintenance and repaving of State and local arterials. One element specific project would address infrastructure needs along NY5 -- an arterial that serves one of CDTA's major transit routes -- including improvements to pavement condition, walkability and bikeability, ADA compliance, and BRT station support. *Adding these readily-deliverable and essential projects to the TIP as set-a-sides for possible programming of specific projects ensures that the CDTC area can spend the anticipated amount of stimulus funding and any additional funding that may be made available.*

The stimulus list prepared by the Planning Committee for Policy Board consideration addresses Congressional concern for quick delivery and critical importance. The project lists includes critical, well-established and ready projects long on CDTC's priority list along with a handful of new program initiatives to address critical infrastructure needs. There is a requirement in the American Recovery and Reinvestment Act of 2009 that consideration be given to projects in economically distressed areas. Table 1 includes eight projects in economically distressed areas including over \$66 million worth of investment.

There are no assurances that all of the projects in Table 1 will receive federal stimulus funds. Priority will be given to existing TIP projects, but it is expected that some of the

element specific projects will receive stimulus funds as well. Existing TIP projects not receiving stimulus funding will still receive normal TIP funding.

Recommended Programming Action

The Planning Committee recommended the following programming approach:

- 1. For the projects on the Stimulus List that are on the 2007-12 TIP, allow NYSDOT to use its existing authority to select projects and designate stimulus funding.*
- 2. For New Preventative Maintenance and Paving Projects Initiatives, create regional set-asides.*
- 3. For other New Local and State Projects, not already on the TIP, and not included in the preventative maintenance set-asides, select these projects only if the funding available exceeds TIP projects that are ready to be obligated by April 30, 2009. Projects in this category which do not receive stimulus funding will not be included on the TIP. They may be eligible for future rounds of stimulus funding, and they may apply for TIP programming in future TIP project solicitations.*
- 4. Transit projects using formula-based funds are funded with Economic Stimulus Funding. Discretionary-funded transit projects are shown as a FTA condition for funding consideration.*
- 5. The rail project is to be funded from the discretionary High Speed Rail program.*

Description of the specific TIP action is set forth in Attachment A.

