

What is the New Starts Program?

Infrastructure funding made simple.



New Starts is a discretionary & competitive federal grant program which appropriates approximately \$2.3 billion per year in federal funding. The program is specifically for light rail, heavy rail, commuter rail, streetcar, and bus rapid transit (BRT) projects. New Starts is a popular infrastructure funding program used to make important transit investments nationwide.

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Determining Eligibility

In order to be eligible for New Starts, each project must meet the following requirements:

- ✓ Total project cost is equal to or greater than \$300 million or total New Starts funding sought equals or exceeds \$100 million.
- ✓ New fixed guideway system (rail or BRT)
- ✓ An extension to an existing system

KOP Rail is an extension to an existing rail line (fixed guideway) with a projected cost above \$300 million.

2

Project Development Process

Any proposed project must follow a multi-year, multi-step process in order to apply for the program and receive funds. The process involves the following three milestones:

2a

Complete Environmental Review Process, including evaluation of alternatives

2b

Selection of the locally preferred alternative (LPA)

2c

Adoption into the long-range transportation plan

The FEIS/ROD has been completed.

3

Project Rating

The Federal Transit Administration (FTA) uses a point system to rate the project. The project will receive points for every way that it positively impacts the local community, economy, environment, and transportation network. Selected projects with high ratings will receive funding more quickly.

KOP Rail has not yet been rated by the FTA.

Mobility

Environmental benefits

Congestion relief

Economic development effects

Existing land use

Cost effectiveness

Additionally, an "acceptable degree" of local financing commitment must be in place.

4

Funding Recommendations

In addition to the overall score, the FTA's final decision to recommend a project for funding is based on the readiness of the project for capital funding, geographic equity, and the amount of available funds versus the number and size of the projects in the pipeline.

Successful projects will sign a funding agreement with the FTA. New Starts funding may cover up to 80% of the project cost, but typically they cover 50% or less.

Final Checklist:

To receive a construction grant, a project must have the following:

- Completed the planning, project development, and environmental review processes.
- Met project readiness requirements.
- Received a "medium" or higher overall rating.
- Met all other federal requirements.