



Obama Administration Focuses on Streaming Projects

The following is an excerpt from a press release by U.S. Secretary of Transportation Ray LaHood on January 25, announcing the Obama Administration's streamlining project delivery timelines for transportation projects. The effort demonstrates the need for government entities at all levels to devise new and better ways to ensure much-needed capital investment projects can transition from plans to reality.

During his State of the Union Address on Tuesday, January 24, President Obama called on federal agencies to cut red tape in construction projects. Accepting that challenge, U.S. Transportation Secretary Ray LaHood proposed a significant change in the way major transit projects compete for federal funds by streamlining the process and making decisions more responsive to local needs.

"This proposal would move more job-generating bus, rail and ferry projects from the drawing boards into construction sooner and

with less red tape along the way," said Secretary LaHood. "President Obama has asked government agencies to cut red tape, eliminate waste, and streamline bureaucracy wherever possible, and that's exactly what we're doing."

The proposed changes could potentially shave six months or more off the time that is now required to move major projects through the Federal Transit Administration's (FTA) New Starts pipeline. This new approach may also result in financial savings for the federal government and local taxpayers by allowing approved projects to begin construction sooner, thereby saving on finance charges and other costs.

The streamlined proposal would allow the FTA to focus more on local needs, such as economic development, revitalization and responding to historically underserved populations while reducing or eliminating certain time-consuming technical requirements that are duplicative or unnecessary.

"Our process for selecting big capital projects

is historically successful—but at times painfully and unnecessarily complicated," said FTA Administrator Peter Rogoff. "We're aiming to make common-sense changes that will make a big difference to communities throughout the United States that need more mobility, and better access to jobs, sooner rather than later."

Other benefits from the changes would include increased transparency and continued rigorous scrutiny of each project proposal. By giving greater emphasis to evaluation criteria concerning environmental benefits and local economic impact, it would be possible for FTA to consider a variety of smaller-scale projects that might better meet a community's needs, including streetcars and rapid bus services.

The proposed changes are described in the FTA's Notice of Proposed Rulemaking (NPRM) to streamline the evaluation and rating of New Starts and Small Starts projects, published in two separate notices in the *Federal Register* are the Notice of Proposed Rulemaking, and Notice of Availability.

A 60-day public comment period on the proposed rule began on January 25. Comments may be formally submitted to the federal government's docket website at Regulations.gov. FTA also plans to hold a number public listening sessions and an online informational webinar; details will be announced in a future *Federal Register* notice. All received input will be taken into consideration before a final rule is issued.

The New Starts and Small Starts program is one of the largest discretionary grant programs in the U.S. Government. FTA's final Fiscal Year 2012 appropriation includes more than \$2 billion in capital projects requested by President Obama under FTA's capital investment program. Proposed projects such as rapid rail, light rail, commuter rail, bus rapid transit and ferries are evaluated and rated on a number of measures at several steps in the process as they seek FTA approval for a federal funding commitment to finance project construction.

FTA's streamlining effort was undertaken in response to an announcement in January 2010 by Transportation Secretary LaHood to change how major transit projects are selected to receive federal financial assistance from FTA. As part of this initiative, FTA rescinded restrictions issued by the Bush Administration in March of 2005 that greatly limited the factors that would be considered when evaluating transit projects seeking federal matching dollars. 



Construction work is nearing completion on the first phase of the extension of the Washington Metro Rail system, connecting Falls Church, Tysons Corner and Reston, Va. The project's second phase will extend the route from Reston to Dulles International Airport and into Loudon County.

The RAIL Interview: Barry Goodman



RAIL Editor in Chief Scott Bogren and The Goodman Corp., Principal Barry Goodman discuss innovative investment strategies for passenger rail, with a focus on such vital topics as investment tax credits, value capture, tax increment financing and much more.

Click on the microphone icon to the right to listen to the interview.

