5.0 Moving Forward

This chapter describes the process for advancing large capital projects such as the streetcar through the project development process. The District of Columbia can fund projects with or without federal funding. The two approaches have different requirements for developing the project and completing the necessary environmental studies and review. Section 5.1 describes the project development approach for federally funded projects, and Section 5.2 describes the approach for non-federally funded projects. Section 5.3 describes project delivery methods, including alternative approaches for completing project design and construction activities.

5.1 Process for Federally Funded Projects

Constrained Long Range Transportation Plan (CLRP) and Transportation Improvement Program (TIP)

For projects to be considered for federal funding participation, they must be included in the CLRP. The CLRP identifies all regionally significant transportation projects and programs that are planned in the Washington metropolitan area over the next 20 years. The projects and programs that go into the CLRP are developed cooperatively by governmental bodies and agencies represented on the National Capital Region Transportation Planning Board (TPB). The CLRP and TIP are updated every year. Every four years the TPB is required to do a major plan update. The TIP is a 6-year financial program that describes the schedule for obligating federal funds to state and local projects. Major steps in the CLRP Update process include:

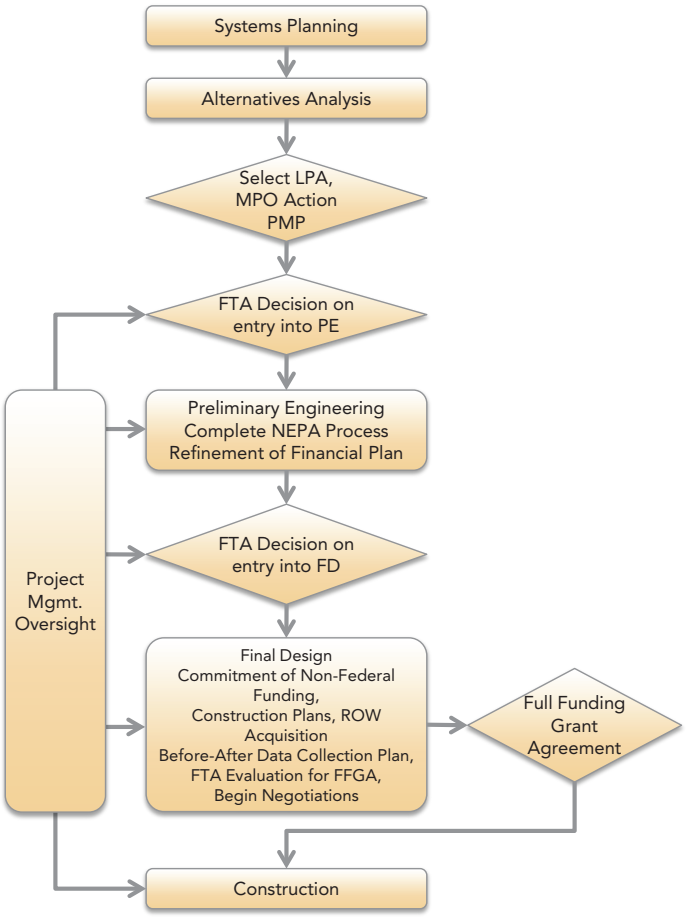
- TPB releases final call for projects;
- DDOT submits project;
- CLRP and TIP project submissions are released for public comment;
- TPB reviews public comment and is asked to approve submissions for inclusion in the Air Quality Conformity Analysis;
- Draft CLRP and TIP are released for public comment; and
- TPB reviews the public comments and responses and adopts the Draft Plan.

This process usually begins in December and ends in October of each year.

Project Development

If an individual streetcar project is to remain eligible for federal funding participation under the FTA Section 5309 New Starts Program, then there is a specific federal project development process that candidate projects must follow.

Figure 5-1: FTA New Starts Project Development Process



This process is shown in Figure 5-1.
The process includes several key decision points that require FTA and possibly FHWA approval before entering the subsequent steps in the process. These key decision points include granting permission to enter Preliminary Engineering, granting permission to enter Final Design, and establishing a Full Funding Grant Agreement to fund the federal share of the capital costs of the project. Approvals are based in part on the ability of a project to meet minimum thresholds of cost effectiveness as well as other specific criteria related to local project funding and land use planning. The process includes meeting the requirements of NEPA.

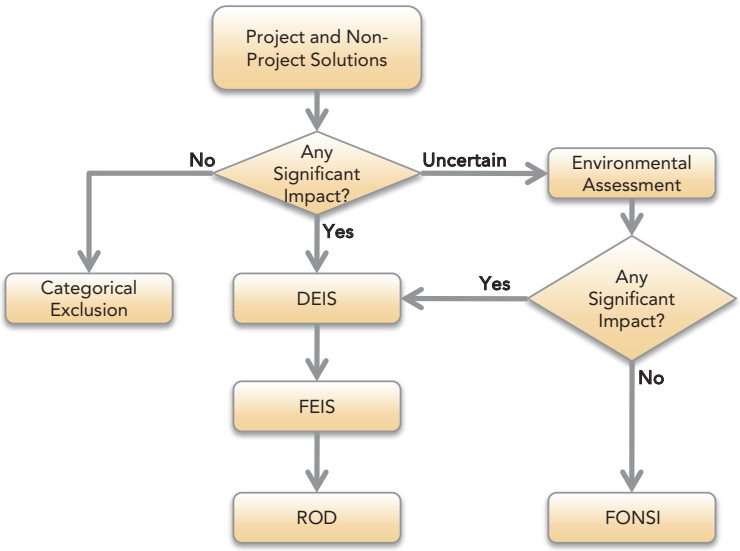
Corridor Level Alternatives Analysis

Individual streetcar corridor projects will need to advance through the Alternatives Analysis/NEPA process and then obtain permission from FTA to enter into Preliminary Engineering. Typically, corridor level Alternatives Analyses are conducted concurrently with the NEPA process. The corridor level Alternatives Analysis will need to consider a range of alternatives designed to address locally identified mobility and other problems in the specific transportation corridor.

NEPA Class of Action

Determination of the proper approach for addressing NEPA requirements will also need to be made through consultation with FTA. Figure 5-2 outlines the decision process in selecting the appropriate "class of action" under NEPA. The first decision point in determining the appropriate class of action is estimating the likelihood of a significant impact resulting from implementation of the project. If no significant impact is reasonably expected or the project meets the criteria established by the joint FHWA/FTA environmental regulations, a Categorical Exclusion can be documented and the project can proceed. If there is a potential for the existence of significant impacts, the project must proceed through more detailed documentation – either entering the Environmental Impact Statement (EIS) or Environmental Assessment (EA) process. Generally, a major investment has the potential to result in a significant impact – usually through the relocation of residences or businesses, requirement of significant property acquisition, or disturbance to sensitive aspects of the human or natural environment – and will require a draft and final EIS (DEIS and FEIS, respectively).If the potential exists that the project will not result in significant impacts, but the potential is not certain, an EA can be initiated to provide the necessary study and evaluation to determine the potential for significant impacts. If no

Figure 5-2: NEPA Class of Action Determination



significant impacts are discovered, the EA can proceed to documentation of the Finding of No Significant Impact (FONSI). If significant impacts are discovered, the EIS process must be initiated.

Traditional Approach to Meeting NEPA Requirements

The traditional NEPA approach looks at individual corridor projects separately and requires that each project establish its own class of action. The class of action for each project would depend on the types of potential impacts expected. This approach allows a single corridor project to advance through a single NEPA process and also allows for grouping multiple corridors together to be advanced as a single project. However, a disadvantage of this approach is that each NEPA document must discuss and validate alternatives, including revisiting the mode(s) selected for the project. This approach does not provide a cumulative look at the transit system as a whole and could result in difficulties in advancing a unified streetcar system.

Tiered Approach to NEPA

"Tiering" provides an alternate approach to satisfying NEPA requirements for major transportation actions. The first tier has a broad focus and explores issues such as "general location, mode choice, and area wide air quality and land use implications of the major alternatives". The second tier of documents then focuses on site specific details of project impacts, costs and mitigation measures. A tiered approach is most often associated with projects where an EIS is the appropriate class of action.

An advantage of a tiered document is clearly stated in the Council on Environmental Quality (CEQ) regulations (40 CFR 1502.20), which encourage the use of a tiered Environmental Impact Statement to "eliminate repetitive discussions of the same issues and to focus on the actual issues ripe for decision at each level of environmental review." This allows for the second tier documents to summarize only the issues presented and cleared in the first tier, thereby focusing on the specific action. A tiered approach for the DC's Transit Future recommendations would have several benefits. During the first tier, project sponsors could resolve the issues of selecting the general project location and determining the final mode choice for the proposed system. In this manner, the tiered process would eliminate the need for re-evaluation of location and mode for each segment or corridor.

The first tier analysis and findings would allow the second tier of NEPA documentation to solely focus on corridor specific impacts and benefits. An additional benefit from the tiered approach is that the tiered document also lays the groundwork for determining the subsequent classes of action for the second tier documents. In essence, the first tier NEPA document provides the justification needed to help either FHWA or FTA make a determination on class of action for the second tier documents.

Hybrid Approach to NEPA

A hybrid approach would look at the streetcar system holistically while combining traditional and tiered approaches. It would use a first tier NEPA or DC Environmental Policy Act (DCEPA) document to review the system as a whole and to conduct an evaluation of mode choice and general alignment of proposed corridors. It would also allow second tier work on several projects already advancing through the planning and project development phase within the District, such as the Benning/H Street Corridor, Anacostia Corridor and the K Street Transitway Corridor improvements. DDOT prepared documentation to meet the requirements of the DCEPA for both the Benning/H Street Corridor and Anacostia Corridor; NEPA requirements were not completed because local funding for these projects was acquired. An Environmental Assessment was prepared under NEPA for K Street NW, which evaluated a K Street Transitway plan that did not include streetcar facilities. The hybrid approach would incorporate the findings of these previous efforts while allowing the broader system to be evaluated by a first tier document.

Typically, an EIS is prepared for the first tier documents. However, as specific projects advanced to the second tier documents, other classes of action might apply. Based on the findings of the first tier document, it may be determined that a Categorical Exclusion (CE) or an Environmental Assessment (EA) is appropriate for the second tier class of action for the identified projects.

The hybrid approach can provide the most thorough, comprehensive and rational approach to NEPA by evaluating network effects and corridor impacts. However, at the time of this report's printing, FTA (the likely lead federal agency for the project) requests that projects follow a traditional NEPA approach.

Preliminary Engineering and Final Design

A corridor project is advanced to the Preliminary Engineering (PE) stage when:

- the preferred alternative has been developed to the point where environmental impacts are known and mitigation measures are developed;
- the project scope is final and its cost estimates are relatively firm; and
- its financial plan is set, with the majority of local funding committed.

Final Design is the last phase of New Starts project development, during which the project sponsor prepares for construction. Final design is also the stage during which FTA may enter into a multi-year commitment to fund a proposed New Starts project; this commitment is called a Full Funding Grant Agreement (FFGA).

5.2 Process for Non-Federally Funded Projects

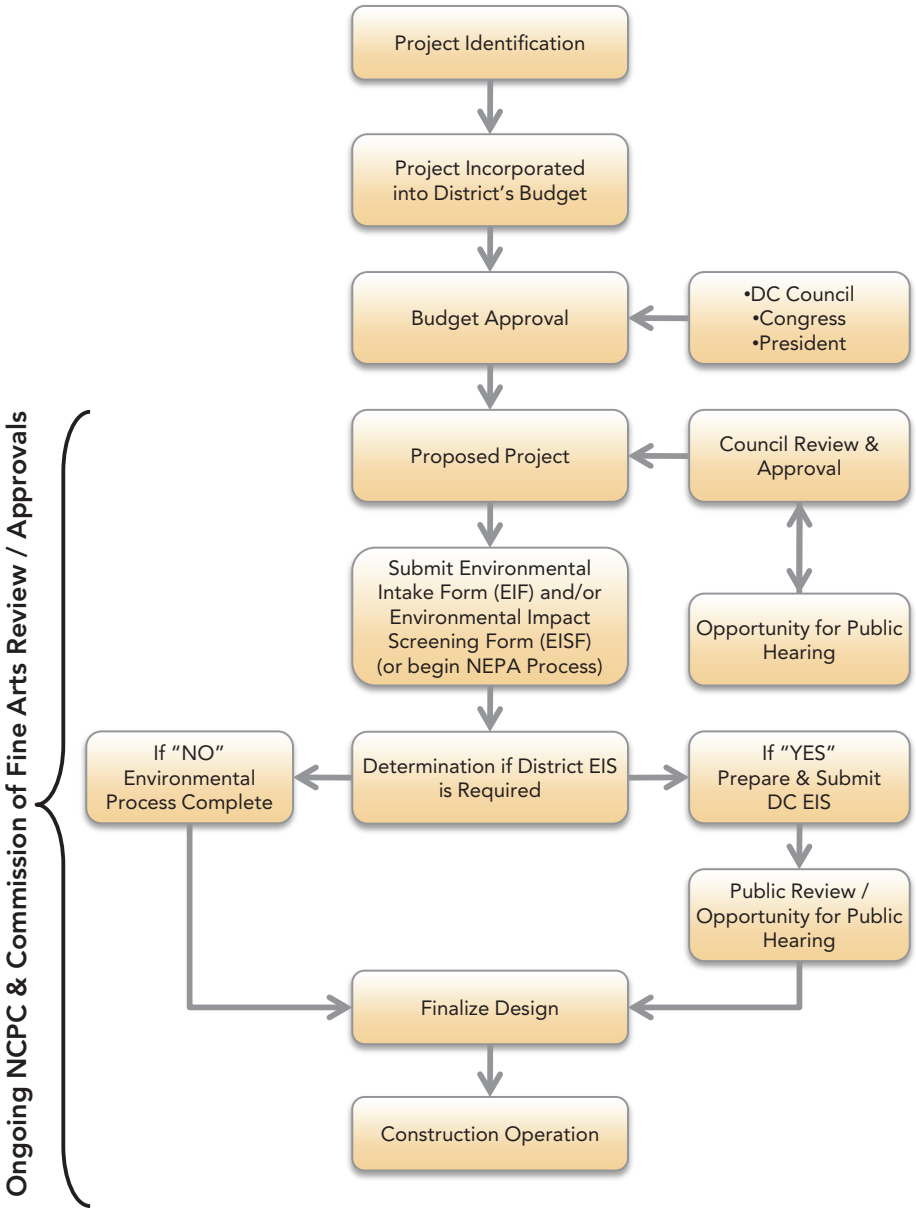
For major capital projects that will use all local or private funding, the District of Columbia Project Development Process should be used. This process, illustrating inputs for decision milestones and agency coordination, is shown in Figure 5-3.

DC Public Law 8-36, the Environmental Policy Act of 1989, requires that all District of Columbia agencies consider the environmental impact of all proposed major actions. The lead agency in the District for coordinating these reviews is the District of Columbia Department of Consumer and Regulatory Affairs (DCRA). In accordance with DC Public Law 8-36, all building permit applicants must submit an Environmental Intake Form (EIF) and Environmental Impact Screening Form (EISF) to determine whether or not the proposed project is likely to have a substantial negative impact on the community and whether or not an Environmental Impact Statement is required by the District. The District requirement to prepare an EISF is superseded by those

projects subject to review under NEPA. Transportation projects falling under the DC Environmental Policy Act or NEPA must be coordinated with DC Regulatory agencies, DDOT, and the DC City Council. Projects must also be included in the DDOT Capital Improvements Program (CIP). The CIP outlines the project costs and expected funding sources for transportation projects over the next six years. Those projects slated for construction within the first year of the CIP include the actual budget appropriations. The DC City Council approves a new CIP each year.

Once the environmental impact review process is complete and the project is included in the CIP, the project can advance to final design and construction.

Figure 5-3: DC Project Development Process (For Non-Federally Funded Projects)



5.3 Project Delivery Methods

Another key decision that will need to be made to advance the streetcar system is to select a project delivery method for each of the projects as they move from the system planning phase into corridor planning and project design. The project delivery method chosen does not change the steps that must occur in the project development process as described in the previous section, but it does determine who has responsibility for various steps in the process. The three most common project delivery methods are described briefly below:

- **Design-Bid-Build** – Design-Bid-Build is the traditional project delivery method in which project design and construction services are contracted separately. In the past the Washington Metropolitan Area Transit Authority (WMATA) has used this approach to implement much of the Metrorail system that is currently operating throughout the region.

- **Design-Build** – Design-Build, also known as a turn-key method, is a project delivery method in which the project sponsor uses a single architectural/engineering entity for both design and construction services. Under this approach one entity performs both the engineering and construction services for the project. The agency owner does not need to be responsible for coordination between the design professional and the contractor. A Design-Build approach is currently being used by DDOT for the 11th Street Bridge Reconstruction as a means for encouraging creativity and flexibility in design and construction, along with fast-track project completion.

- **Design-Build-Operate-Maintain** – Design-Build-Operate-Maintain (DBOM) is similar to Design-Build, but the contract includes operations and maintenance of the system once it is constructed. For the Hudson-Bergen Light Rail project, New Jersey Transit used a DBOM approach for project delivery. The selected design and construction contractor delivered a fleet of vehicles, a guaranteed completion date, and 15 years of operation and maintenance of the system for a fixed price. The initial contract only covered the Initial Operating Segment, but it was later renegotiated for subsequent extensions.