

## CTIB's Transitway Funding Sources and Shares

### Summary

- Typical capital funding sources and shares for New Starts/Small Starts transitway corridor are:
  - 50% Federal<sup>1</sup>
  - 30% CTIB<sup>2</sup>
  - 10% State<sup>3</sup>
  - 10% Local/County<sup>4</sup>
  - → 50/30/10/10 nomenclature
- Through the Program of Projects Investment Strategy<sup>5</sup>, CTIB identified a specific capital funding share for six "Phase One" transitway projects, with the goal of reducing the federal share to enhance competitiveness for federal funding. The Investment Strategy is a five-year financial plan for CTIB, and is not intended to substitute for a project-specific financial plan.
  - SWLRT, 30% → 50/30/10/10
  - Bottineau LRT, 31% → 49/31/10/10
  - Orange Line BRT, 30% → 50/30/10/10
  - Gateway BRT, 35% → 45/35/10/10
  - Riverview LRT, 80% → 0/80/10/10
  - Robert Street ABRT, 80% → 0/80/10/10
- Typical transitway operating funding sources and shares are:
  - LRT, BRT: Farebox + federal + other misc. operating revenues, then CTIB and State split remaining "net operating costs" 50/50
  - Commuter Rail: Farebox + federal + other misc. operating revenues, then CTIB and State split remaining "net operating costs" 50/50 for proportional share of line within metropolitan area, and MnDOT and counties split remaining "net operating costs" for proportional share of line outside of the metropolitan area
  - Arterial BRT: Farebox + federal + other misc. operating revenues, then Met Council/State responsible for remaining "net operating costs"
  - Streetcar: Undetermined in this region

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<sup>1</sup> FTA Capital Improvement Grant Program (CIG) provides funding for New Starts and Small Starts projects (Section 5309). By law, CIG can provide a 80% funding share, but a 50% share is more typical. MAP-21 established new rating and evaluation factors for financial shares; since 2012, projects receive a higher financial rating if they request a less than 50% federal share.

<sup>2</sup> Established by policy through the CTIB Transit Investment Framework. See notes in Detailed References section.

<sup>3</sup> As noted in the Detailed References section, state law establishes a maximum state contribution of 10% for LRT projects. BRT and commuter rail projects are not similarly restricted, but this general contribution level is assumed.

<sup>4</sup> As noted in the Detailed References section, state law establishes a maximum county RRA contribution of 10% for LRT and Commuter Rail projects. BRT is not similarly restricted, but this general contribution level is assumed.

<sup>5</sup> CTIB Program of Projects Investment Strategy is a five-year financial plan for CTIB, and is updated annually with best available project data. See notes in the Detailed References section.