TRANSPORTATION DEVELOPMENT CREDITS

Regional Transportation Council
May 9, 2013
A Transportation Development Credit system is a financial accounting tool approved by the Federal Highway Administration that allows States to use federal obligation authority without the requirement of cash matches. These Credits are non-cash credits allocated to states (and later to regions) as a representative value to account for toll road and tolled managed lanes that benefit the federal system.

As of March 28, 2013, the Dallas Fort Worth Region has $465,486,222 in Transportation Development Credits (remember these are credits and not real dollars).

This amount represents 75% of the credits earned and currently available in our region with the remaining 25% allocated to the Texas Transportation Commission.
# Matches for Federal Transportation Projects

<table>
<thead>
<tr>
<th>TYPE</th>
<th>Cash Towards Project Cost</th>
<th>Non-Federal Match</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>IN-KIND (Often labor cost from partner agencies)</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Transportation Development Credits (TDC)</td>
<td>NO</td>
<td>YES</td>
</tr>
</tbody>
</table>
PROGRAM REQUIREMENTS
(VERY, VERY IMPORTANT)

To Access Federal Funds in Situations Where the Local Provider does not have Access to Local Matching Funds jeopardizing loss of Federal Funds (e.g., small transit providers; not often)

To Aggregate Local and State Funds to Expedite Project Delivery on Non-Federal Projects (e.g., streamlining, eligibility; more often)

To Advance Public Transit, Goals of the Texas Transportation Commission, and Goals of the Regional Transportation Council
WHO IS ELIGIBLE?

Title 23 USC or Chapter 53 of Title 49 USC (i.e., the typical RTC partners)

Good Standing with TxDOT

No Findings of Non-Compliance
ELIGIBLE PROJECTS

Any Project Eligible Under Title 23 USC or Chapter 53 of Title 49 USC (e.g., highway, rail, transit, bicycle/pedestrian)
REGIONAL PROCESS FOR ALLOCATION

Must Develop and Use a Documented Process for the Receipt, Evaluation, and Award of Credits

Must Provide Opportunity for Public Review and Comment at Key Decision Points

Process Must Meet State Requirements

Must Communicate Awards to Each Applicant (Commitment Good for Two Years)

Must Include the Award of Credits in the TIP

Transit Agencies from our Region Must Seek Credits from RTC Previous to Seeking Credits from the Texas Transportation Commission

NCTCOG Must Provide a Report to TxDOT by December 1st of Each Year (Including TIP Inventory and Any Sale or Transfer)

Each Project Requires “Project Agreement with NCTCOG”

Eligible Sale or Transfer of Credits to Others
TEXAS TRANSPORTATION COMMISSION PROCESS FOR TRANSPORTATION DEVELOPMENT CREDITS

Competitive Process/Program Call (Requires Concurrence of the Metropolitan Planning Organization)

Discretionary Process

Public Transit Set-Aside
PROPOSED FIVE TYPES OF RTC AWARDS (BY PRIORITY ORDER)

Strategic Awards to Small Transit Providers Within Region

Competitive Process/Program Call Within Region
  - Type 1 is a Program Call by the RTC Using Federal Funds
  - Type 2 is a Program Call by the RTC Where Regional Partners are Requesting Development Credits

Sale or Transfer to Another MPO

Sale or Transfer to the Texas Transportation Commission

Restructure Regionally Funded RTC Regional Programs and Projects Within Our MPO
DOCUMENT PROCESS

TYPES
Strategic Awards to Small Transit Providers Within Region

Competitive Process/Program Call Within Region
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IDEAS
Always Available if Requirements are Met (Open Program Call)

None Currently Anticipated (e.g., future Transportation Alternative Program)

Initial Offer of $50M in Transportation Development Credits
## DOCUMENT PROCESS (cont.)

**TYPES**
- Sale or Transfer to Another MPO
- Sale or Transfer to the Texas Transportation Commission
- Restructure Regionally Funded Regional RTC Programs and Projects Within Our MPO

**IDEAS**
- Proposed Sale with Initial Offer of $50M in Transportation Development Credits
- Proposed Sale of $100M in Transportation Development Credits for Development of RTC Revolving Fund
- Proposed Use of $10M in Transportation Development Credits to Restructure Current Programs and Projects

This would result in a carry over of $250 M in credits into 2014
2013 SCHEDULE

Document Process: Spring
Alert Small Transit Providers: May
Conduct Public Review: June
Receive RTC Approval: Summer/Fall
Initiate Proposed Actions and Conduct Public Review at Key Decisions: Summer/Fall
Prepare TxDOT Report: December 1, 2013