TEX Rail
Fort Worth, Texas
New Starts Engineering
(Rating Assigned May 2015)

Summary Description	
Proposed Project:	Commuter Rail 27.2 Miles, 10 Stations
Total Capital Cost ($YOE):	$998.78 Million (Includes $21.7 million in finance charges)
Section 5309 New Starts Share ($YOE):	$499.39 Million (50.0%)
Annual Operating Cost (opening year 2018):	$12.17 Million
Current Year Ridership Forecast (2014):	9,000 Daily Linked Trips 2,663,300 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	14,700 Daily Linked Trips 4,325,900 Linked Trips
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium-High

Project Description: The Fort Worth Transportation Authority (the T) proposes to build a double-track Tarrant County Express commuter rail line (TEX Rail) from downtown Fort Worth to northeast Tarrant County including the cities of Haltom, North Richland Hills, Colleyville, and Grapevine, and the Dallas-Fort Worth International (DFW) Airport. The TEX Rail line would operate on portions of the Fort Worth and Western Railroad, Union Pacific Railroad, Trinity Railway Express (TRE) commuter rail line, and Dallas Area Rapid Transit (DART) Cotton Belt line. At DFW Airport, the project would provide transfer connections to DART's Orange light rail line for trips to the north Dallas suburbs and downtown Dallas. The TEX Rail project includes construction of eight new stations, modifications to two existing TRE stations, construction of a new maintenance facility, construction of 2,000 park-and-ride spaces, and the purchase of eight diesel multiple unit (DMU) vehicles. In the opening year, service would be provided every 30 minutes during peak periods and every 90 minutes during off-peak periods and weekends. By the forecast year of 2035, service would be provided every 30 minutes during peak periods and every 60 minutes during off-peak periods and weekends.

Project Purpose: The project would link three of the region's major activity centers, including downtown Fort Worth, the City of Grapevine, and DFW. The project area currently has four of the worst roadway bottlenecks in the Dallas-Fort Worth region, and the region's worst interchange bottleneck at Loop 820 and State Highway 183. All major roadways in the TEX Rail corridor operate at a level of service "D" or worse, according to the Texas Department of Transportation. No major roadway serves the entire project corridor end-to-end. Existing transit service in the corridor's southwest portion (City of Fort Worth) includes local and express buses in mixed traffic that experience unpredictable conditions due to congestion and incidents. There is currently no transit service in the corridor's northeast segment (Grapevine and North Richland Hills). Since TEX Rail would mostly operate on existing rail infrastructure and entirely on an exclusive right-of-way outside of mixed traffic, the project would result in enhanced transit travel time reliability due to the avoidance of typical roadway delays.

Project Development History, Status and Next Steps: The T completed an alternatives analysis in the Southwest-to-Northeast Corridor in November 2006. A Draft Environmental Impact Statement (EIS) was published in October 2008, and commuter rail was selected as the locally preferred alternative (LPA) in 2011. Under SAFETEA-LU, FTA approved the project into preliminary engineering in March 2012. A Final EIS was published in May 2014, and a Record of Decision (ROD) signed in September 2014. The LPA was revised in October 2014, to add two stations originally evaluated but not included in ROD and a new maintenance facility. The revised LPA was adopted into the fiscally constrained long range transportation plan in December 2014. An environmental re-evaluation was performed, and an Amended ROD was executed in April 2015. The T anticipates receipt of a Full Funding Grant Agreement in early 2016, and start of revenue service in September 2018.

Significant Changes Since Last Evaluation (November 2014): In January 2015, the T formally adopted a re-defined LPA, which restored two previously removed in-line stations in North Richland Hills and added a new maintenance facility. The project cost estimate thus changed from $891.90 million to $998.78 million.

Locally Proposed Financial Plan		
Source of Funds	**Total Funds ($million)**	**Percent of Total**
Federal:		
Section 5309 New Starts	$499.39	50.0%
FHWA Flexible Funds (Congestion Mitigation and Air Quality Funds)	$38.27	3.8%
FHWA Flexible Funds (Surface Transportation Program Funds)	$1.60	0.2%
State:		
Texas Mobility Funds	$86.31	8.6%
Local:		
Tarrant County Funds	$20.00	2.0%
City of Grapevine Sales Tax	$61.20	6.1%
The T's Dedicated Sales Tax and Debt to be repaid with Sales Tax	$226.99	22.7%
Regional Toll Revenue Contribution	$25.00	2.5%
DFW Airport In-kind Station Contribution	$40.00	4.0%
Total:	**$998.78**	**100.0%**

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

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Factor	Rating	Comments
Local Financial Commitment Rating	**Medium-High**	
Non-Section 5309 New Starts Share		The New Starts share of the project is 50.0 percent.
Project Capital Financial Plan (50% of summary financial rating)	**Medium-High**	
Capital and Operating Condition (25% of capital plan rating)	Medium-High	• The average age of the Fort Worth Transportation Authority (the T) bus fleet is 7.4 years, which is older than the industry average. • The T has not issued public debt and has no bond ratings. • The T's current ratio of assets to liabilities, as reported in its most recent audited financial statement, is 16.29 (2014). • There have been no service cutbacks or cash flow shortfalls in recent years.
Commitment of Capital and Operating Funds (25% of capital plan rating)	High	• Approximately 92 percent of the non-Section 5309 New Starts funds are committed or budgeted. Federal sources of funds include Federal Congestion Mitigation and Air Quality (CMAQ) funds and Surface Transportation Program funds. Non-Federal funds include a state grant from the Texas Mobility Fund, the City of Grapevine's dedicated sales tax revenues, the T's dedicated sales tax revenues, Tarrant County property tax-backed bond proceeds, Regional Toll Revenue Program Funds, and an in-kind contribution of the station at Dallas-Fort Worth International Airport. • All of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted. Sources of funds include FTA Section 5307 Formula funds, the T's dedicated sales tax revenues, fare revenues, contributions from partner cities, and advertising, rental, and investment income.
Capital and Operating Cost Estimates, Assumptions and Financial Capacity (50% of capital plan rating)	Medium	• Capital revenue growth assumptions are consistent with historical experience. • The capital cost estimate is reasonable for this stage of the project. • Assumed farebox collections are optimistic based on historical experience. All other operating assumptions are consistent with historical experience. • The financial plan shows the T's financial capacity to cover cost increases or funding shortfalls is dependent on their ability to obtain authorization to issue debt.

TEX Rail
Fort Worth, Texas
Project Development
(Rating Assigned January 2014)

LAND USE RATING: Medium-Low
The land use rating reflects population and employment densities within ½-mile of proposed station areas, as well as the share of legally binding affordability restricted housing in the corridor compared to the share in the surrounding counties. • Average population density across all station areas is 2,182, which corresponds to a low rating according to FTA benchmarks. Total employment served is 73,580, corresponding to a medium rating. Parking costs in downtown Fort Worth are $12 per day on average, corresponding to a medium-high rating. • The proportion of legally binding affordability restricted housing in the project corridor compared to the proportion in the counties through which the project travels is 0.0, which corresponds to a low rating. • Existing development in downtown Fort Worth is urban in nature with commercial office, retail, and residential buildings near the two downtown stations. Existing development character in the remaining station areas is not transit supportive. • Areas around the proposed downtown stations have adequate pedestrian amenities. However most station areas along the project corridor have a minimal level of pedestrian facilities, and are frequently lacking sidewalks, particularly in single-family residential neighborhoods.
ECONOMIC DEVELOPMENT RATING: Medium
Transit-Supportive Plans and Policies: Medium
• *Growth Management:* Although public, private, and academic institutions have undertaken regional visioning exercises, the Dallas-Fort Worth region has not adopted any policies or agreements related to growth management. Some local plans within the region focus on preserving open space to protect ecologically important areas, but plans are often focused on a single resource rather than on preserving a network. • *Transit-Supportive Corridor* Policies: Transit oriented development (TOD) or station area plans have been completed for four of the 10 station areas. The City of Fort Worth reduces parking requirements within mixed-use districts. • *Supportive Zoning Regulations Near Transit Stations:* The City of Fort Worth has developed a mixed use high-density zoning code for the two downtown station areas. North Richland Hills has developed a form based zoning code for its two station areas. The Fort Worth Comprehensive Plan supports zoning changes to support TOD around two additional stations. Haltom City and Grapevine are developing zoning ordinances or new zoning districts that promote transit-supportive density in proposed station areas. • *Tools to Implement Land Use Policies:* The City of Fort Worth has a number of financial tools to encourage land development in certain areas, including neighborhood empowerment zones, tax increment financing , tax abatements, public improvement districts, land transactions, mixed-use zoning assistance, enhanced community facility agreements, and other capital project investments. The Haltom City Economic Development Corporation purchased 55 acres near the proposed Haltom City station with the hopes of building TOD.

Performance and Impacts of Policies: Medium-High

- *Performance of Land Use Policies:* There have been a number of higher-density residential and mixed-use projects in downtown Fort Worth. Developments are being proposed at other stations. For instance, a proposed 14-acre mixed-use development adjacent to the Smithfield station could support more than 200 multifamily units, and at least 10,000 square feet of office space, 10,000 square feet of retail space, and 10,000 square feet of restaurant space.
- *Potential Impact of Transit Investment on Regional Land Use:* The project is expected to foster substantial infill development given the improved access to jobs around the region that it would provide, ample underdeveloped land in most station areas, and the strong regional economy. In downtown, existing surface parking lots between the ITC station and the convention center could eventually be redeveloped at a higher density. Haltom City recently purchased 55 acres around the proposed Haltom City station. There are 1,100 acres of undeveloped land at DFW Airport North.

Tools to Maintain or Increase Share of Affordable Housing: Medium-Low

- Affordable housing objectives in the 2013 City of Fort Worth Comprehensive Plan include targets for lead abatement, infill housing, affordable rental housing, and landlord and lender education on fair housing. The draft *Downtown Fort Worth Plan 2023: Ten Year Strategic Action Plan* sets a goal of having 10 percent of the housing developed in quality mixed income developments for people whose income is less than 60 percent of area-wide median income. There is no evidence of affordable housing needs assessment or identification of policy in station areas beyond the City of Fort Worth.

Figure 1-1: TEX Rail Commuter Rail Alternative