

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

Summary Description	
<b>Proposed Project:</b>	Commuter Rail 27.2 Miles, 9 Stations
<b>Total Capital Cost (\$YOE):</b>	\$996.08 Million (Includes \$25.7million in finance charges)
<b>Section 5309 New Starts Share (\$YOE):</b>	\$498.04 Million (50.0%)
<b>Annual Operating Cost (opening year 2018):</b>	\$12.80 Million
<b>Current Year Ridership Forecast (2015):</b>	8,300 Daily Linked Trips 2,443,200 Annual Linked Trips
<b>Horizon Year Ridership Forecast (2035):</b>	13,700 Daily Linked Trips 4,040,900 Linked Trips
<b>Overall Project Rating:</b>	Medium-High
<b>Project Justification Rating:</b>	Medium
<b>Local Financial Commitment Rating:</b>	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 with stations in the cities of Fort Worth, North Richland Hills, and Grapevine, and at 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 seven 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 vehicles. In the opening year, service is planned to 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 is planned to be provided every 30 minutes during peak periods and every 60 minutes during off-peak periods and weekends.

**Project Purpose:** The project links 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 New Starts Preliminary Engineering in March 2012. A Final EIS was published in May 2014, and FTA signed a Record of Decision (ROD) in September 2014. The T revised the LPA in October 2014, to add two stations and a new maintenance facility, which was adopted into the fiscally constrained long range transportation plan in December 2014. An environmental re-evaluation was performed to examine the two stations and new maintenance facility, and resulted in FTA signing an amended ROD in April 2015. FTA approved the project into New Starts Engineering in June 2015. The T anticipates receipt of a Full Funding Grant Agreement in 2016, and the start of revenue service in November 2018.

**Significant Changes Since Last Evaluation (May 2015):** Since the project was approved into Engineering, the T removed the proposed station at Haltom City because of Haltom City's financial inability to contribute to the operation of the project. Haltom City indicated it may participate (and have a station inserted) at a future date. The project cost estimate thus changed from \$998.78 million to \$996.08 million.

<b>Locally Proposed Financial Plan</b>		
<b><u>Source of Funds</u></b>	<b><u>Total Funds (\$million)</u></b>	<b><u>Percent of Total</u></b>
<b>Federal:</b>		
Section 5309 New Starts	\$498.04	50.0%
FHWA Flexible Funds (Surface Transportation Program Funds)	\$38.27	3.8%
FHWA Flexible Funds (Congestion Mitigation and Air Quality Funds)	\$1.60	0.2%
<b>State:</b>		
Texas Mobility Funds	\$46.31	4.6%
<b>Local:</b>		
Tarrant County Funds	\$20.00	2.0%
City of Grapevine Sales Tax	\$112.92	11.3%
The T's Dedicated Sales Tax and Debt to be repaid with Sales Tax	\$213.94	21.5%
Regional Toll Revenue Contribution	\$25.00	2.5%
DFW Airport In-kind Station Contribution	\$40.00	4.0%
<b>Total:</b>	<b>\$996.08</b>	<b>100.0%</b>

**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.

**TX, Fort Worth, TEX Rail**  
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<b>Factor</b>	<b>Rating</b>	<b>Comments</b>
<b>Local Financial Commitment Rating</b>	<b>Medium-High</b>	
<b>Non-Section 5309 New Starts Share</b>	<b>N/A</b>	The New Starts share of the project is 50.0 percent.
<b>Project Financial Plan</b>	<b>Medium-High</b>	
Capital and Operating Condition (25% of plan rating)	Medium-High	<ul style="list-style-type: none"> <li>• The average age of the bus fleet is 7.4 years, which is older than the industry average.</li> <li>• The Ft. Worth Transportation Authority's (the T) has not issued public debt and has no bond ratings.</li> <li>• The T's current ratio of assets to liabilities, as reported in its most recent audited financial statement, is 16.29 (FY 2014).</li> <li>• There have been no service cutbacks or cash flow shortfalls in recent years.</li> </ul>
Commitment of Capital and Operating Funds (25% of plan rating)	High	<ul style="list-style-type: none"> <li>• All of the non-Section 5309 funds are committed or budgeted. Federal sources of funds include Congestion Mitigation and Air Quality Improvement Program 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 Airport.</li> <li>• 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 Urbanized Area Formula funds, the T's dedicated sales tax revenues, fare revenues, contributions from partner cities, and advertising, rental, and investment income.</li> </ul>
Capital and Operating Cost Estimates, Assumptions and Financial Capacity (50% of plan rating)	Medium	<ul style="list-style-type: none"> <li>• Capital revenue growth assumptions are consistent with historical experience.</li> <li>• The capital cost estimate is reasonable for this stage of the project.</li> <li>• Assumed farebox collections are optimistic based on historical experience, while all other operating assumptions are consistent with historical experience.</li> <li>• 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.</li> </ul>

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***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 county(ies).

- The existing station area population is 61,000 with a density of 2,200 people per square mile, which corresponds with a Low rating by FTA guidelines. Existing employment served is 73,000, corresponding to a Medium rating by FTA guidelines. Other high trip generators include DFW Airport, the Fort Worth Convention Center, and Grapevine, a shopping and visitor destination.
- 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 0.58, which rates Low by FTA benchmarks.
- On average, daily parking in the CBD costs \$12 per day, which is equivalent to a Medium to Medium-High rating based on FTA benchmarks.
- Two stations serve downtown Fort Worth and one serves Grapevine, an historic, walkable downtown. Existing development patterns at other stations are not transit-supportive. Buildings are auto-oriented in design, surface parking lots are common, major streets are wide, and pedestrian infrastructure is limited. There is a considerable amount of industrial and vacant land, as well as some small-lot single-family residential neighborhoods on the fringes of some station areas.

***ECONOMIC DEVELOPMENT RATING: Medium***

**Transit-Supportive Plans and Policies: Medium**

- *Growth Management:* Growth management activity has been limited to regional outreach and technical and financial assistance. Vision North Texas, a partnership of private, public and academic organizations, has produced North Texas 2050, a regional infrastructure framework that provides a toolbox of strategies and techniques that can be used to encourage more compact growth around centers.
- *Transit-Supportive Corridor Policies:* The corridor cities' comprehensive plans include policies and objectives to bring transit-oriented development around TEX Rail stations. Conceptual station area plans have been developed for four station areas, and a master plan is under development for one (Grapevine). North Richland Hills has also conducted more detailed planning for its two station areas to implement transit-oriented development (TOD) principles through regulating plans that cover a large portion of each station area.
- *Supportive Zoning Regulations Near Transit Stations:* Fort Worth's two downtown stations are zoned for high-density mixed-use development. Elsewhere, existing zoning in many of the station areas is largely industrial or low-density commercial or residential. However, all the cities have adopted, or are developing, zoning tools to support TOD.
- *Tools to Implement Land Use Policies:* The North Central Texas Council of Governments provides a number of fiscal incentives to promote more concentrated development patterns. The City of Fort Worth has a number of financial tools to support development in certain areas, including tax abatements, tax increment financing and streamlined development approvals.

**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. A four-story mixed-use development was recently constructed in Grapevine and a developer is moving forward with a mixed-use development plan for the Stockyards. Other station areas have seen little activity but transit-oriented rezoning has only recently been implemented or is still in progress.
- *Potential Impact of Transit Investment on Regional Land Use:* There is an extensive amount of vacant or otherwise redevelopable land in many of the proposed station areas. The economic climate of the

region and corridor appears to be healthy and strong population growth is expected in the corridor.

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

- A number of efforts are underway by the Fort Worth Housing Authority to develop mixed-use, mixed-income housing projects in downtown Fort Worth that include a significant (over 50 percent) affordable component. The city has set affordable housing goals and recommended that publicly assisted housing be located near employment centers or public transit. The city has also offered tax abatements and used tax-increment financing to incentivize development of affordable housing in the downtown area. However, there is no evidence of affordable housing policy in station areas beyond the City of Fort Worth.



**Figure 1-1: TEX Rail Commuter Rail Alternative**

