

# ***Focus New Starts Funding on Filling Urban Transit Gaps***

## ***What's Best for Michigan***

Revise the New Starts program to use a portion of the funds specifically to establish fixed guideway systems in metropolitan areas lacking local rapid transit. Add criteria for New Starts funding that consider economic development benefits, including special consideration for economic distressed areas, and land use benefits.

## ***Why***

Currently, both expansion transit projects and new transit projects compete for the same discretionary New Starts funds. Based on existing criteria, system expansion projects have a significant advantage. As a result, Michigan metropolitan areas cannot compete effectively and they continue to fall behind, creating gaps in the nation's passenger transportation system and hurting Michigan's ability to compete for business, workers, and tourism.

Separating project evaluations for the two categories will help provide a more balanced approach to the allocation of funding. It will facilitate development of new fixed guideway systems in U.S. metropolitan areas currently lacking these systems, ensuring that light and commuter rail will generate the significant economic, environmental, and mobility benefits that our current bus-only systems cannot achieve.

Developing fixed guideway systems in Michigan's urban areas is also essential to achieve the vision of high-speed rail in America. As the Michigan terminus of Detroit-Chicago high-speed rail corridor, the Detroit metropolitan area must establish a local rapid transit system to capture the economic benefits that high-speed rail will bring to the Midwest. Without it, high-speed intercity rail will result in travel from Michigan to other Midwestern cities, such as Chicago and Minneapolis, where business travelers or tourists can easily complete trips using high-frequency, high-performing local transit. Southeast Michigan is the largest region in the U.S. without high capacity rapid transit service in place and lacks a metro transit system with a transit connection to the Detroit Metropolitan Airport.

In addition, the criteria for New Starts funding should include special consideration (preference) projects in economic distressed areas. This would be in addition to the current economic and land use benefits criteria. New Starts projects in areas with high unemployment and economic distress associated with reductions in the car industry can achieve both transportation and economic recovery benefits.

Michigan has a number of fixed guideway projects in development. New Starts criteria that ensure Michigan's proposal will only compete against proposals from other metropolitan areas that have yet to establish a fixed guideway system, are essential to Michigan's economic growth and to ensuring a fully integrated national high-speed rail system.