



# CONNECTING AUSTIN

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**A LIVING CASE STUDY FOR  
PROJECT CONNECT: AUSTIN LIGHT RAIL**

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# EXECUTIVE SUMMARY

In 2020, City of Austin voters approved funding for [“Project Connect”](#) – a transportation system including light rail, new rapid bus lines, updates to existing commuter rail, more on-demand “pickup” services, and funding to invest in affordable housing while supporting anti-displacement efforts. This measure is gaining national attention for its holistic approach to mobility solutions, governance, and focus on community and placemaking.

Many peer cities have passed comparable local infrastructure initiatives, and Accelerator for America Action (AFAA) is proud to support these measures that connect residents to opportunity and improve their quality of life. Several aspects of Austin’s Project Connect are unique, including individual project components plus the holistic approach, and AFAA is publishing this “living case study” to document Austin’s implementation journey for the benefit of other local leaders who will follow in Austin’s footsteps. This case study will narrate and analyze the successes and challenges of implementing the light rail portion of Project Connect through the lens of national and global best practices. AFAA intends to update this case study periodically to document Austin’s multi-year implementation journey.

This report focuses primarily on the light rail portion of Project Connect. Topically, this living case study examines governance, community engagement, project delivery, procurement, permitting, land use, and other critical elements. It does so by comparing Austin’s activities to established research outlined by several sources, including [“Saving Time and Making Cents: A Blueprint for Building Transit Better”](#) authored by the [Eno Center for Transportation Policy](#). Further, this report documents actions completed, underway, or planned by the implementation partners of Project Connect to ensure its success and that its benefits reach all Austin residents.

Project Connect deploys a novel governance model – a special delivery vehicle available under Texas state law, which allowed for the creation of the Austin Transit Partnership (ATP). ATP is an independent agency focused on planning and construction, working in concert with the local transit agency (CapMetro) and the City of Austin. This report outlines core components of this model and lessons learned.

## Topically, this living case study examines:



**COMMUNITY  
ENGAGEMENT**



**GOVERNANCE**



**LAND USE**



**PERMITTING**



**PROCUREMENT**



**PROJECT DELIVERY**



**AND MORE!**

Both project delivery and procurement strategies are continuing to progress in parallel with this living case study process, and this first report provides examples and lessons learned from other communities highlighted in the Eno Center report as potential strategies for ATP's consideration. ATP has already signaled their intentionality for advancements in these areas, and future iterations of this report will examine in greater detail how new policy and process contain cost, engage diverse vendors, and provide necessary oversight through the project. ATP's current pre-development stage has been marked by deliberate planning that should pay off in greater efficiencies as the project shifts to construction and implementation.

Permitting will be a focus of this report and future updates. The City of Austin retains permitting authority for Project Connect; however, the Eno Center report recommends the special purpose delivery vehicle have this responsibility, claiming greater efficiency. As an alternative, Austin leaders are working cross functionally with embedded city staff in partner agencies and through dedicated process improvements aimed at increasing efficiency in the permitting process.

Land use is a critical component leading to the success of a transit system. It matters what kind of zoning and incentives are in place to encourage density and maintain affordability with transit-oriented development. This case study details the challenges and recent successes in Austin with new land use policies. Land use policy is also an important criteria in the application process for large matching construction dollars from the Federal Transit Administration.

Through the early phases of implementation, Project Connect compares favorably with best recommended practices outlined in research documents. In summary:

- ATP (as the special purpose delivery vehicle for light rail) has a strong, representative, transparent governance structure, and the project benefits from its ability to focus singularly on planning and construction.
- Community engagement is consistent and deep – deploying a variety of different strategies to ensure participation across Austinites.
- ATP is methodically and intentionally working through its first major procurement – a “Delivery Partner” who will assist with project management and decisions on future delivery model(s) throughout this large undertaking. The [Request for Qualification](#) to begin this process was released in June of this year.
- Supplier diversity is being taken seriously, with dedicated staff and events ensuring a real partnership with DBE contractors.
- Permitting coordination is an early focus, and structures are being put in place to streamline processes.
- Land use changes supported by the [Federal Transit Administration](#) to allow more people to live and work near bus and train stations [have been implemented](#) by the City of Austin, creating a more supportive system for transit and providing a stronger case for the robust funding from the federal government.

Austin is also focused on developing the workforce necessary to build, operate, and maintain its new light rail and related transportation infrastructure. Austin Mayor Kirk Watson, Workforce Solutions Capital Area (the local Workforce Investment Board), CapMetro (the region's transit operator), ATP, and Austin Community College are all collaborating to create the Austin Infrastructure Academy to train and upskill residents in high-demand infrastructure-related fields, provide wraparound support services such as childcare, and connect residents to high-growth career pathways. Austin's workforce efforts mirror the best practices set forth in [Accelerator for America's Gold Standard Playbook for Workforce Development](#).

The proceeding case study examines these areas in greater detail. Future reports will provide updates on these items, while also addressing the succeeding project components such as land acquisition, utility relocation, and station design.



ACC is a gem in our community and adds so much to Central Texas. They have a proven history of building the training programs our employers are looking for and the educational pathways that lead to family-supporting careers — not just jobs.

-Austin Mayor Kirk Watson



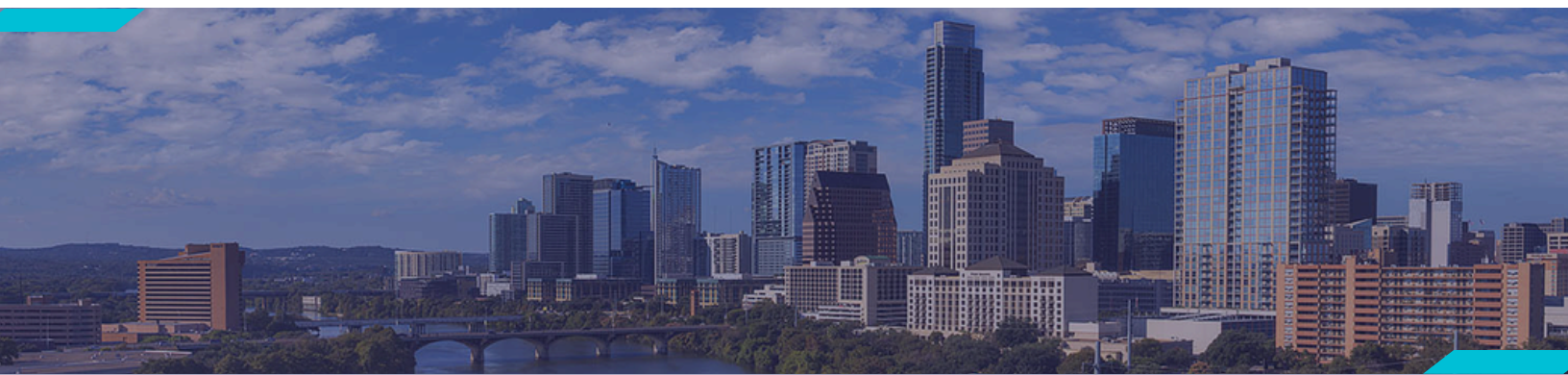
# INTRODUCTION

In 2020, the City of Austin voted overwhelmingly (58% of the vote) in support of Proposition A, which increases property taxes to pay for a significant expansion of the community's mass transit system and related improvements. The proposal, known as "Project Connect," funds a comprehensive system to increase mobility options directly through a new light rail system, new rapid bus lines, increased pickup services (publicly funded individual rides within specific zones), expansion of the area's existing commuter rail line, new park and ride facilities, and enhanced address pedestrian safety through the development of dedicated pathways and bike lanes.

Project Connect also ensures that Austin's affordable housing units stay affordable by dedicating \$300 million toward anti-displacement funding and equitable transit-oriented development. The inclusion of affordable housing within the Project Connect initiative has quickly become a best practice for other communities developing similar initiatives.

The 2020 election success came on the heels of two previous, unsuccessful efforts to fund light rail in 2000 and 2014. The 2000 effort was extremely close, losing by less than 2,000 votes, while the second effort failed by a larger margin. Reflections from the 2014 effort produced feedback that voters were concerned with the configuration of the proposed new transit lines, the effect the project would have on an already accelerated gentrification process throughout many portions of the community, and overall affordability. As a result, Proposition A/Project Connect in 2020 was a more comprehensive transit plan, addressing the concerns from the prior initiatives.

Implementation of Project Connect is a shared responsibility between three entities: the City of Austin, the region's transit operator CapMetro, and the Austin Transit Partnership (ATP) – the local government corporation formed by the City and CapMetro to implement Project Connect. ATP is the recipient of voter approved funds through a contract with the City, and is responsible for the planning and construction of light rail. CapMetro receives funding from ATP and is using it to improve the [existing commuter rail](#) Red Line, build out a new series of [Metro Rapid Bus](#) lines utilizing an all electric fleet, and operate expanded "pickup" services in traditionally underserved areas of the city. CapMetro will also operate the light rail system once it is constructed. ATP also funds the City Housing Department to mitigate the effects of displacement on existing residents resulting from the implementation of Project Connect. To do so, the City has decided on a two-pronged strategy for these funds: 1) partnering with [local nonprofits](#) to assist residents in transit corridors with needed services like child care, rental assistance, and job training; and 2) acquiring both [existing multi-family units](#) and [new parcels](#) of land so that affordable housing can be both preserved and constructed.



In addition to the housing along transit corridors, progress has been made on the more direct service portions of Project Connect. In January of this year, CapMetro began [Pickup services](#) in the traditionally underserved Dove Springs area of Austin. In February, a new station on the Red Line was opened at Q2 stadium, the home of Austin FC, leading to a [sharp increase](#) in ridership for games. Further Metro Rapid bus lines are expected to begin operations in 2025.

The majority of Project Connect funding will be used for new light rail lines. To support the larger system, Austin is leveraging its local funds to apply for significant funding from the Federal Transit Administration's (FTA) Capital Investment Grants Program. In late May 2024, ATP was accepted into the Project Development phase of the FTA's Capital Investment Grant New Starts Program, making future expenses eligible for reimbursement. If approved, the Federal award would be the largest of its kind ever made in Texas. ATP estimates total project cost of \$7.1-7.5 billion in 'year of expenditure' dollars, and ATP has communicated publicly about the cost differences over time with inflation factors. ATP expects to advance into the Engineering phase for the project in 2026. Construction is slated to begin in 2027 with expected completion of the first phase of the light rail system in 2033.

Accelerator for America Action (AFAA) is a 501(c)(4) non-profit organization that helps cities and regions build innovative projects that connect neighborhoods, create good-paying jobs, and foster a prosperous and thriving future. AFAA works alongside its sister 501(c)(3) organization – Accelerator for America, which brings together government, business, philanthropic, academic, and non-profit leaders to find and develop solutions to economic insecurity and share them with cities to create national change from the ground up. AFAA actively supported the passage of Proposition A in 2020, and AFAA is eager to support Austin leaders in the implementation of Project Connect. Large infrastructure projects in the US, similar to the light rail portion of Project Connect, often exceed planned budgets and open to passengers far past expected timelines. AFAA is publishing this “living case study” to track and support local efforts to design, engineer, and build the project “on time and on budget.”

This living case study provides an independent assessment for delivering transformational change to Central Texas that will assist the Austin Transit Partnership, the City of Austin, and CapMetro in creating and operating a new light rail system efficiently and effectively – enhancing mobility and economic opportunity for Austinites and providing a template for other cities across the United States on how to install a large infrastructure system successfully.



# METHODOLOGY

As a basis for this living case study, AFAA is relying upon research conducted and published by the [Eno Center for Transportation](#), an independent, non-profit think tank that publishes rigorous, objective analyses on the problems facing transportation and provides ideas for, and a clear path toward, possible solutions. In 2021, after 18 months of research, Eno published a seminal report that studied best practices for completion of mass transit projects on time and on budget; in “[Saving Time and Making Sense: A Blueprint for Building Transit Better](#)” researchers outline best practices from across the world in hopes of providing a guide for new and expanded mass transit systems in the United States. This report is cited heavily throughout this case study and referred to as the “Blueprint” where referenced herein.

Throughout the life of this project, AFAA intends to use the research outlined in this Eno report as the basis for discussions with the Austin Transit Partnership (ATP) and other Austin officials on how they are incorporating best practices in their strategies for delivering the light rail portion of Project Connect to Austin residents in an efficient and effective manner.

## Case Study Methodology

AFAA and ATP have committed to at least twice yearly leadership discussions to review project components and communicate progress to the public through biannual reports.

For this inaugural report, AFAA met with ATP Executive Director Greg Cannally, ATP Executive VP of Planning Jen Pyne, ATP Executive VP of Engineering and Construction Lindsay Wood, and City of Austin Mobility Officer and Lead for the Project Connect Office Annick Beaudet.

In addition to the aforementioned Eno Report, AFAA will use other research documents to provide further insight, including other documents from the Eno Center, such as their reports focusing on [rail transit specifically](#) and on [ATP’s governance structure](#), and outside information such as [this report](#) from the Governor of Pennsylvania on how reconstruction of I-95 in Philadelphia was accomplished in two weeks after its collapse in 2023 and the lessons learned (e.g., permit streamlining) that could be applicable to other projects.



# 1

## ESTABLISHMENT OF SPECIAL DELIVERY VEHICLE FOR RAIL

The first recommendation of the Eno Blueprint focuses on governance. Traditional transit agencies are built to run systems and generally lack the bandwidth and expertise to engineer and build the infrastructure for a larger rail project. From the report:

“Our research shows that independent, special purpose delivery vehicles (SPDV) are an attractive option to manage construction before handing the ownership and operation back to the public agency. States or regions need to create a temporary, independent SPDV, or modify an existing institution, with the necessary authorizations and abilities to manage and focus on the most complex of projects. Institutions responsible for project delivery need to be self-permitting, should be able to issue debt (if necessary), use eminent domain to acquire land, relocate utilities, as well as enter into contracts and agreements with public and private entities. Governing boards should be made up of funders and the relevant other stakeholders that are necessary to push the project forward. The organization should also have the ability to set salaries to attract and hire top project management talent and borrow staff from existing institutions.” (p. 7)

In the [Contract with Voters for Project Connect](#), laid out during Austin’s 2020 election cycle, this kind of special purpose delivery model was promised as a way to assure effective completion of Project Connect. To keep this promise, the Austin Transit Partnership (ATP) was established in [December of 2020](#) as a local government corporation by the City of Austin and CapMetro pursuant to the Texas Transportation Corporation Act and the Texas Local Government Code.

ATP exemplifies most of the SPDV characteristics described by the Eno Center:

- **Governance:** ATP’s Board has five voting members. The Mayor of Austin and Chair of the CapMetro Board of Directors represent both of Project Connect’s funding partners. The other three seats, made up from community representatives, are required to fulfill three critical areas of expertise: finance, architecture/engineering, and community planning/sustainability. These community members serve for four year terms, with rotation beginning in two years. Further guidance came via an [independent review](#) conducted by the Eno Center in 2022, and these recommendations for governance clarity have been implemented locally – the best example being CapMetro assisting ATP in becoming the [official grantee](#) for Federal Transit Administration funding available for light rail construction in Austin.

- **Issuance of Debt:** ATP is permitted to issue debt to help fund capital projects based on revenue provided by the 2020 voter approved tax and assigned from the City, which collects the appropriate funds and distributes them to ATP.
- **Official Grantee:** ATP was granted official status as an eligible recipient by the Federal Transit Administration in [September of 2023](#) to apply for funding, and [began the application process](#) for the Capital Investment Grant Program as a New Starts project in March of 2024. This discretionary program, and several like it passed or funded through the 2021 Infrastructure Investment and Jobs Act (IIJA), are some of the main ways that the U.S. government assists communities in building large transit infrastructure projects.
- **Land Acquisition/Relocation:** ATP is able to acquire land and has overall responsibility for utility relocation as light rail develops. However, ATP does not have eminent domain powers.
- **Staffing:** As ATP was created, staff were brought over from CapMetro to fulfill needed roles; this consisted of a shared lead (CapMetro CEO) plus legal and support staffers. After one year, these dual roles expired as permanent positions were created, funded, and staffed. Current Executive Director Greg Cannally was [appointed as permanent Executive Director](#) by the ATP Board in March of 2023, after serving as the interim CEO for the previous year. The staffing level for the organization is currently set at 53 FTE with the expectation that this will stay relatively consistent.
- **Budgeting:** The 2024 ATP budget was recognized by the [Governance Finance Officers Association](#) as proficient in all four categories, and fourteen mandatory criteria under those categories, resulting in the presentation of their Distinguished Budget Presentation Award. This is a strong endorsement of ATP's organizational operations, and should give taxpayers confidence that their funds are being spent responsibly. Further, ATP is pursuing a conservative budgeting strategy, setting aside 30-40% of future allocations as a contingency, based on guidance from the FTA and contained in its [Operating Procedure 40](#) for Risk and Contingency Review (on Page M-2). "Contingency" is not synonymous with "reserve," and is held to account for "known unknowns"; ATP anticipates allocating or spending this contingency amount as project engineering progresses and/or during construction.
- **Permitting:** ATP does not have separate permitting authority for the construction of light rail. There are attempts to rectify the inefficiency in this system through the co-location of city staff in the ATP office and dedicated exclusively to Project Connect.

## Conclusion

Austin has substantially met recommendations and best practice of setting up a professional, well staffed, empowered, and responsibly governed special purpose delivery vehicle for light rail with a responsible governance structure.



# 2

## COMMUNITY ENGAGEMENT

All great public projects should start with deep community input efforts throughout the planning and environmental processes to assure citizens that they have complete information, access to public officials and decision makers, and regular and extensive ability to provide meaningful input that informs the development of the project. These efforts only improve the final product, ensuring it's reflective of the communities needs, and can alleviate misinformation and anxiety often experienced at the onset of a large project with extensive impact throughout a community. The Eno Blueprint report recommends and documents the importance of community engagement and through multiple means:

“A lack of early planning and dedicated staff that can meet the community members where they are, listen to their concerns, and find ways to address them is a common shortcoming. **Project sponsors need to dedicate more staff and resources to working directly with communities during the early planning process. They should also employ non-traditional forms of public engagement**, such as opportunities to provide virtual feedback, smaller meetings in communities (rather than the standard, large auditorium public meeting), and hosting meetings at non-traditional hours to accommodate shift workers, can play a major role in creating a more equitable and effective outreach program.” (p. 182)

The Austin Transit Partnership (ATP) has been intentional and consistent with its community outreach processes. ATP employs full-time staff with the sole responsibility of community engagement, and all ATP staff, including leadership, have a role in community activities to ensure everyone stays connected. ATP has and continues to deploy multiple strategies recommended in the Eno report, including:

## 1. COMMUNITY ADVISORY COMMITTEE

As part of the 2020 Contract with the Voters, a permanent Community Advisory Committee was constructed to meet once per month, hear information about system development, and give feedback to administrators. It consists of 11 members:

- The Capital Metro Access Advisory Committee and Customer Satisfaction Advisory Committee shall each appoint one (1) member to the committee.
- The City of Austin Urban Transportation Commission, Community Development Commission, and the Mayor's Committee for People with Disabilities shall each appoint one (1) member to the committee.
- Six (6) members from the community shall be selected through a nomination process and jointly appointed by the City and Capital Metro. The Community Member applicants:
  - Shall be residents of either the City of Austin or Capital Metro's service area;
  - Shall have interests and experience that will assist the Committee in developing recommendations on community engagement and equity matters related to Project Connect;
  - Shall not be a person who is registered or required to register as a lobbyist under City Code Chapter 48 or who is employed by a person registered or required to register under City Code Chapter 4-8;
  - Shall not be an employee of the City, Capital Metro, or the Joint LGC; and
  - Shall not have a contract for real property, goods or services with the City, Capital Metro, or the Joint LGC, or be employed by such a contractor.

This Committee is overseen by ATP and has met regularly since its founding in May 2021. All agendas, minutes, and documents from their meetings can be seen at a [specially created website](#); all meetings are webcast and have the opportunity for public input.

## 2. COMMUNITY DIALOGUE

In the summer of 2022, ATP reached the conclusion that due to a material change in circumstances since the passage of Proposition A, including increases in land value, construction costs, wages for workers, and interest rates, the scope of the originally proposed light rail portion of Project Connect would require modification. As there was no intention of returning to the voters to ask for another tax increase, outreach began in December 2022 to gather input from focus groups of community members representing different populations and to develop the community values criteria against which alternatives would be evaluated. ATP proceeded with an engagement process in Spring 2023 to present options for a first phase to the public, transparently confronting the need for a change in scope and seeking the public's input.



For a deliberate and intense six week period from March 21 to May 2, 2023, ATP representatives completed an intentional and exhaustive process, documented [in a special report](#), that guided decisions for the first light rail phase. Efforts that Spring included a large initial public charrette, online forums, outreach with an Austin [online engagement organization](#), representative meetings with stakeholder groups (including neighborhood groups, business organizations, community organizers, environmental associations, and more), and direct citizen engagement at transit stops. Furthermore, specific focus groups, with compensation for time, were held with historically marginalized community members to assure that complete and diverse opinions were fully understood. The result was over 8,000 interactions in a six week span, concluding with a plan that combined the community values together with engineering and logistics needs of a complex mass transit system. The conclusions were worked into a final, [first phase plan](#) approved without a dissenting vote from the City of Austin Council, CapMetro Board, and ATP Board (one council member abstained).

### 3. NEPA PROCESS

ATP is in the environmental review process required by the National Environmental Policy Act (NEPA), and held six public meetings in January and February of 2024 (five in person, one online with details available on pages 12-14 of the [full report available here](#)). The in-person meetings were held in an open house format, with the goal of giving interested individuals the ability to talk with specific staffers about targeted aspects of the system. These events were held on afternoons, evenings, and weekends.





## PROJECT CONNECT IS ALL IN

### 4. REGULAR AND ONGOING COMMUNITY ENGAGEMENT

ATP representatives are regular participants in events and panels held by groups like the Greater Austin Chamber of Commerce, Downtown Austin Alliance, Movability (the area's transportation management association), and Transit Forward (community transit alliance) to give updates on project progress and take feedback from audience members.

#### Conclusion

ATP has pursued an exhaustive and ongoing community engagement process providing meaningful opportunities for information and feedback, ability for residents to interact with staff in local and virtual settings, and an intentional effort to engage traditionally disadvantaged populations in discussions about the system's future.

# 3

## PROJECT DELIVERY MODEL

In Section 4.2, the Eno Blueprint report designates a large portion of its attention to Project Delivery in four distinct areas.

**“Project sponsors need to adopt a formal evaluation process to determine the appropriate procurement method on a project-by-project basis.** As part of this process, risks must be identified, their probabilities and impacts assessed, and mitigation measures must be identified and implemented.” (p.174)

**“Project sponsors must avoid developing design or procurement criteria that are either too prescriptive or too vague.** Overly prescriptive specifications can restrict the design-builder’s (DB) creative freedom over the design process, which is one of the notable elements of the DB method. An overly vague spec sheet that fails to specify desired finishes or compatibility requirements, for example, can result in agencies receiving an unsatisfactory or flawed final product. To remedy this requires expensive change orders, which were common in all the domestic case studies reviewed in this research.” (p. 175)

**“Once a project sponsor chooses a specific procurement method, they should commit to it and manage it accordingly.** For example, the first light rail project in the Twin Cities region was delivered primarily using a DB approach. This yielded a project that came in under budget and ahead of schedule. But when building their second line, the project sponsor opted to go with a Design Bid Build (DBB) procurement given its desire to retain more control over the project design.” (p. 175)

**“Project sponsors need to invest in better training and support for front office staff** who are responsible for overseeing, monitoring, and managing projects from inclusion to operation. They should be well-versed in the type of delivery mechanism employed (e.g., DB, DBB, P3). Experienced staff with strong oversight is associated with fewer project delays. **Project sponsors should also invest in a small, multidisciplinary team of high-quality, experienced executives with control over on-the-spot decisions, and enough junior staff to support them.** The team needs to consist of employees from the public sector to ensure no conflicts of interest and proper oversight of outsourced staff.” (p. 177)

## WHAT PROJECT DELIVERY MODELS ARE OUT THERE?

Project Delivery refers to the [comprehensive process](#) of carrying out and completing construction projects. Common types of models include:

**Design Bid Build:** The project owner hires a designer and a separate general contractor through successive bidding processes.

**Design Build:** The project owner hires one entity to both design and build the project through a bidding process at the beginning of the project.

**Construction Manager at Risk:** The project owner hires a construction manager, who then takes responsibility for hiring contractors for the project, while also shouldering the financial risk for overruns.

**Integrated Project Delivery:** The project owner, designer, and contractor all work together from project initiation and stay together as a team throughout the life of project construction.

**Public-Private-Partnership:** The project owner contracts with a private sector partner for multiple phases of the project delivery process (i.e., Design-Build, Design-Build-Finance, Design-Build-Finance-Operate, etc.). The private sector partner assumes risk in return for prospective revenue once the project is completed (i.e., user fees, tolls, etc.).

The Austin Transit Partnership (ATP) is using a modified delivery method for Austin’s light rail first phase based on successful models implemented in Calgary and Toronto and currently in use in Utah and California, resulting in a collaborative “Progressive Design Build” process. More traditional, simpler models like “Design Bid Build” may be used for other project components (such as utility relocation), while collaborative procurement and delivery models may be used for other components of the system.



ATP has taken time in developing criteria for a private sector “Delivery Partner” that will support ATP staff in implementation. In Spring 2024, ATP staff engaged in a pre-solicitation feedback process with potential partners, and a final RFQ (Request for Qualifications) was issued in June 2024 with award expected later this year. This Delivery Partner will focus on project management and help support effective planning and cost control.

Intentionality is a word that ATP staff use regularly – examples include choosing the right team, defining the delivery partner role, ensuring partners are given the authority to be effective, and keeping staff simplified and efficient. The intention is to not have a situation in five years with multiple teams having overlapping responsibilities and “too many people in the room.” ATP is consistently prioritizing and focusing efforts for faster, streamlined decision making, creating a better opportunity to successfully bring the first phase of light rail in Austin to completion. ATP is intentionally keeping their internal staff small in order to stay nimble in decision making.

Furthermore, ATP specifically discusses the procurement of a long term partner that has “shared commitment and dedication.” In order to solidify this idea into reality, ATP envisions a contract that incorporates performance incentive regimes (evaluated on a quarterly basis) to enforce accountability.

## Conclusion

ATP is still in the initial stages of advancing delivery planning through industry engagement, board briefings, and staff planning. They are approaching the process in an extremely intentional and strategic manner with a focus on doing things right the first time to ensure an on time and on budget delivery. Ensuring partners have the autonomy for action, keeping things simple, and working through pieces strategically all follow best practices outlined in the Eno report.

In order to continue aligning with best practices, ATP and Project Connect partners can learn from the experience of peer agencies as detailed in the Eno Blueprint report; for example:

- **L.A. Metro** (the Los Angeles area transit agency) ran into problems after choosing a Design Build model for the Phase 1 piece of the Expo Line of their light rail system when the designer did not account for utility relocation issues “leading to a six month delay” and “\$29 million claim from the project’s contractor” when the L.A. Department of Water and Power took longer than anticipated to address those issues (p. 100). When an agency delegates more control through a DB model, it is incumbent on the agency to have strong oversight and ensure that the contractor is performing on all components.



### Conclusion (Continued)

- In **Minneapolis-St Paul**, “Metro Transit decided to deliver their first light rail project of the 21st century, the Blue Line, using a DB procurement. This made design changes more difficult and costly to make, minimizing the number of scope modifications” (p. 121). The end result of this decision, which reduced scope creep and expensive changes, helped allow the project to be finished in a cost-effective and efficient manner. However for their next project, the Green Line, “Metro Transit and the counties decided to use a DBB procurement method, despite the timeline and budget success it had using DB on the Blue Line. This decision was mostly because the project sponsors wanted to retain more control over the design of the project and its stations” (p. 123). The Eno Blueprint report considered this, alongside changes and additions to the project scope, as a factor in costs increasing for the Green Line.

The Eno Blueprint also encourages upskilling of agency staff, “in which consultants will train agency staff as part of their contract, thereby requiring consultants to pass on key knowledge to the personnel that will continue to work on the project after the contract expires” (p. 42). This knowledge will allow the agency staff to provide adequate oversight and accountability. Finally, consistency is key – pick a model and stick with it.

# 4

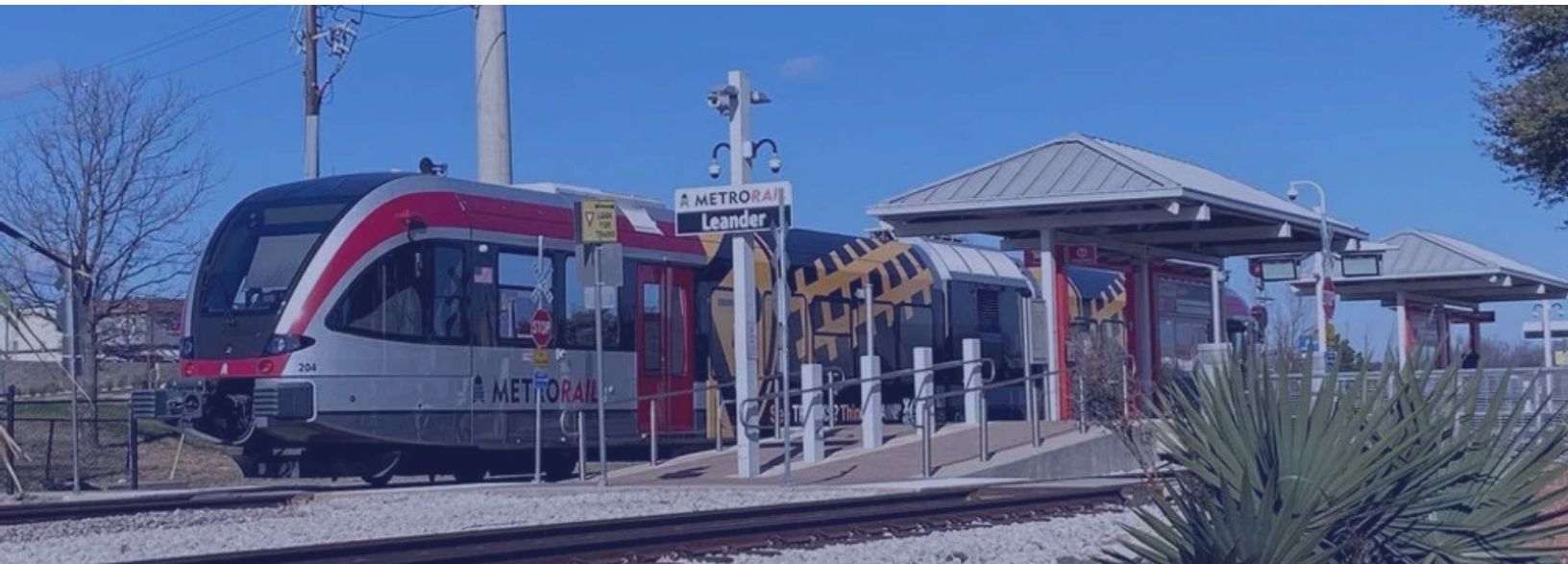
## PROCUREMENT

As basically defined in the prior section, a delivery model can come in many shapes and sizes with research indicating less about preference for any particular model but rather a recommendation that the implementing agency/project owner pick one and stick with it. After the model decision, there are myriad procurements and corresponding decision points for the lead agency. Eno's research, documented in their Blueprint report and cited below, emphasizes a definitive approach explaining that "examples from abroad show that single contracts are rare, and agencies often disaggregate segments, so contract values do not exceed about \$300 million" (p. 175). This strategy with smaller projects within the well-managed larger project invites more competition and reduces the chance that one contractor experiencing difficulties will slow down other parts of the project. While the \$300 million level defined in the Eno report may not reflect the reality of post-COVID pricing, or all of the realities of a multi-billion dollar endeavor, transit agencies can use this as a guiding principle in determining a strategy that works best within the size and scope of their project.

The Eno report further recommends agencies "consult with construction firms prior to procurement to ensure that the Disadvantaged Business Enterprise (DBE) goal is both aspirational yet achievable, and to increase it on future procurements as the local market develops" (p. 176).

Their research also advises against the much-maligned, longstanding government strategy of 'award to the lowest bidder', stating that while "the intention for prioritizing low bids is to save public dollars, they often result in cost overruns or change orders because of problems both on the public and private sector side" (p. 176). In Europe, a procurement process that emphasizes technical proficiency rather than solely a low bid resulted in lower costs and on-schedule projects.

The Austin Transit Partnership (ATP) is currently in the process of developing its long term procurement plan in concert with its project delivery model. ATP staff is evaluating and seeking industry feedback on what aspects of the project serve the public better when they are broken up versus bundled together. This can include land acquisition, utility, actual laying of tracks, station construction, etc.



Timing, budgeting, and safety are key elements on the minds of ATP staff as they consider model(s) for the construction process. Financial incentive structures are under consideration with these overall goals in mind.

ATP is also taking a hands-on approach to partnering with Disadvantaged Business Enterprises (DBEs). ATP has a specific portion of [their website](#) dedicated to providing information on such partnerships, a staffer whose sole responsibility is engaging local DBE prospects, and hosts industry days specifically focused on [education and relationship building](#) with DBEs. The educational forums provide participants with information on project opportunities and details on how to qualify for the federal DBE program.

## Conclusion

ATP's procurement processes are at an early stage but are consistent with best practice research and maintain the same "measure twice, cut once" approach used for project delivery – exercising intentionality and holistic planning between the two interdependent processes critical to the long-term success of the project.

As ATP works to define how procurement will be handled, especially for the areas where they determine a bundled process to be more efficient, it is critical that these contracts be developed to avoid examples from other places across the United States where mega-contracts lead to delays and budget overruns.

ATP recognizes the critical oversight and evaluation role that agency leadership must play under any delivery model and procurement methodology, and ATP is already demonstrating excellence in its approach to DBE engagement.

# 5 PERMITTING

As noted earlier, the Austin Transit Partnership (ATP) has not been given authority over permitting for the project. This important component of the project remains the domain of the City of Austin. The Eno Center Blueprint report does provide a clear recommendation that giving permitting authority to the implementing agency will decrease delays and provide better opportunity for that “on time on budget” north star goal.

The power of permitting speed has most recently been documented in the Interstate 95 bridge rebuild in Pennsylvania. In a column published in the [Washington Post](#) on July 16, 2023, after I-95 was rebuilt expeditiously in Philadelphia, Governor Josh Shapiro, specifically called this out as a major factor of success:



Nevertheless, states can speed up the normal permitting processes. Here in Pennsylvania, I signed an executive order in my first month in office that cataloged each of the 2,400 permits, certificates and licenses we issue and set timelines for each of them. Already wait times have been cut — some by as much as 94 percent. While it once took [up to eight weeks](#) for an initial corporate license to be issued, it now takes just two days.

**-Pennsylvania Governor Josh Shapiro**



The Project Connect partners are working to address permitting speed. Austin Mayor Kirk Watson has prioritized reforming the development review process to aid both large infrastructure projects and much needed new housing. The City of Austin, which holds the authority, has taken the following meaningful actions:

- The City’s Project Connect Office, and their lead Annick Beaudet, share office space with ATP, allowing for simplified communication and teamwork between the two agencies. Their office is funding positions in other city departments (transportation and public works, parks, etc.) whose job is to balance the needs of the project with the needs of the City. According to Beaudet, “This structure provides resources to select departments important to light rail implementation, so that they can balance their internal needs with the overall goals of the system.”
- In 2022, Austin adopted two new ordinances to make the permitting process for public mobility more efficient. The first defined public mobility projects to include rail and trails and allowed these projects to cross creeks and other drainage areas in the same manner as roads and streets. The next was a “Fast Track” ordinance [specifically for Project Connect](#). This new direction modified the site plan process allowing for the greater flexibility necessary for alternate construction methods under consideration (see Topic 3). It also created a process, from the first day of construction, where permits that are pulled for each segment of light rail will get one site plan with a consistent manager for the life of that construction phase. The plan is similar to a current, successful one already in place for Austin Bergstrom International Airport that was created to increase implementation speed.
- According to Annick Beaudet with the Project Connect office, the City’s Public Projects team has developed a specific process for large City infrastructure projects, including Project Connect light rail. Though projects will not be regulated differently, speed of permitting will be increased by bringing different departments together during the review process, allowing for concurrent rather than successive review. Though light rail has not reached this process yet, this large project process has worked with vertical affordable housing, Metro Rapid stations, and charging stations being built by CapMetro (also part of Project Connect).

## Conclusion

While direct permitting authority for the implementing agency is a preferable solution, ATP and City of Austin staff are working to create and innovate local policies and processes to achieve similar results. As the project progresses, the Project Connect partners will need to maintain a robust process for continuous improvement and program evaluation to sustain their innovative approach to permitting.



### Conclusion (Continued)

The Eno Center Blueprint report chronicles the permitting challenges in the Seattle region with Sound Transit. While there are structural differences in comparing the two systems (i.e., Sound Transit serves multiple localities, and the City of Austin is the singular agency for Project Connect), the underlying problems with external permitting are analogous. Sound Transit has to go through numerous localities' processes before securing permits and the "...localities can drag the process out for a significant period of time. The permitting process was frequently brought up as uniquely time consuming, contentious, and onerous..." leading to "a tendency for staff to avoid controversial questions about scope or alignments until later in the project planning phase, which would ultimately take longer and cost more to resolve" (p. 108).

Madrid, Spain offers a counterpoint; there, "permits for transit projects are simple and do not require multiple levels of review. The permitting process is unified so the regional government, or other publicly-owned company has the ability to secure permits only once. For example, if a civil servant at MINTRA (the regional government) approved a design, it was not necessary for that design to be reviewed again by a civil servant at the City of Madrid. Not only does this make the permitting process faster and more controlled, but also makes it easier for the projects to avoid having to accept project betterments from localities" (p. 142).

# 6

## LAND USE

Though not highlighted in the Eno Center research, land use policy – how communities regulate housing and job creating activities in their built environment – can dramatically impact the success or failure of transit systems. Simply summarized, density, or the more people who live and work near transit stops and stations, equals higher ridership. And, implementing a new light rail system into an already bustling and built-out city creates large challenges when compared to legacy transit systems that developed in the 19th and 20th centuries alongside their growing cities.

The Federal Transit Administration document, [Guidance for Land Use and Economic Development Effects New Starts and Small Starts Projects](#), includes grading criteria for communities applying for transit system construction funds, including:

- **Population, Employment, Retail, and Affordable Housing:** Are there enough of all these to support a transit system? Are there tools to incentivize affordable housing?
- **Pedestrian Friendliness:** Are there enough sidewalks to support walking to transit stops? And are they set up to be accessible for constituents with disabilities?
- **Parking:** The greater the parking, the less land there will be for above uses and the less likely it is transit will be used.
- **Planning for Station Area Development:** Does zoning allow higher densities for housing and retail in transit corridors?

Additionally, during the FTA review process for awarding substantial Federal grants towards construction, higher grades are given to cities initiating regulatory and fiscal ordinances incentivizing the above policies, while lower grades are given to communities where only plans have been put into place.

For example, FTA recommends at least 25 housing units per acre in the half mile area around transit stations, an overall population density of 15,000 per square mile, less than 1 parking space per 1,000 square feet, and an overall level of 220,000 employees served by the system.



Austin has historically resisted these kinds of policies. In 2018, a comprehensive rewrite of the city's land development code – dubbed “CodeNEXT” – was scrapped after five years, \$8.5M in lawsuits, and community protests [“poisoned” the process](#). In May 2022, attempts to update the land development code to include the strategies mentioned above were halted by a [citizen lawsuit](#). As a result, Austin is at a disadvantage compared to other US communities that have implemented policies promoting higher density and affordable housing near transit corridors.

Examples include:

- **Minneapolis:** The city eliminated single-family zoning [in 2019](#).
- **Denver:** An emphasis on transit-oriented development led to a [transformation in City density](#) in the early 2000s.
- **State of Washington:** A state law passed in 2023 requires cities over 75,000 to increase density in single-family zoned neighborhoods.

Recently, however, Austin has taken significant and encouraging steps to more closely align with Federal guidelines for transit supportive land use.

- **November 2023:** Austin became the largest city in the United States to [eliminate minimum parking](#) requirements citywide.
- **December 2023:** Austin amended its land development code for [three housing units per lot](#) in single-family zoned neighborhoods.
- **March 2024:** A [density bonus program](#) allowing for more vertical mixed use facilities and creating additional opportunities for developers to increase building heights if they mix affordable housing into their projects was passed.
- **May 2024:** Austin passed [three more ordinances](#) intended to increase density and affordability. These include the reduction of minimum lot sizes, reductions of setbacks for vertical projects near single-family zoned neighborhoods (known as compatibility), and the initiation of an equitable transit oriented overlay zone, encouraging affordability, verticality, and limiting businesses that do not focus on housing and retail from an area half mile surrounding new light rail corridors.

## Conclusion

Austin, like most cities, has struggled with evolution of its land development code and corresponding policies that would institute the type of denser zoning for housing and retail that favors a robust transit system and increases housing affordability. Most American cities, including Austin, have legacy zoning codes that favor single-family housing that do not reflect modern needs. However, Austin has passed major new policy favoring density, affordability, and transit-oriented development in the past year, demonstrating a real commitment to the types of neighborhoods that research shows will support a more successful network of buses and trains – and putting itself in a more favorable position for a larger share of FTA funding for system construction.

A wide-angle photograph of the Austin skyline at dusk, with the city lights reflecting on the water of the Colorado River. The sky is a mix of blue and orange. In the foreground, there are green trees and a walkway along the riverbank.

# CONCLUSION: SUMMARY, FURTHER TOPICS, AND NEXT STEPS

The new and expanded transit system being implemented in Austin through Project Connect, through the collaboration of the City of Austin, CapMetro, and the Austin Transit Partnership (ATP), compares very favorably with the best practices documented by the Eno Center report, *Saving Time and Making Sense: A Blueprint for Building Transit Better*. Specifically:

- The special delivery vehicle created in ATP has a solid governance structure, good budgeting, a thoughtful staff composition, and revenue stream that will support their activities.
- ATP has been exceptionally successful in their community engagement practices, following almost exactly the best practices outlined in research.
- Though not fully established yet, the strategy being implemented to determine a delivery model, and corresponding procurement processes, in an intentional and thoughtful way bodes well for a consistent process throughout light rail planning and construction, leading to the “on time on budget” goals.
- The permitting process is equally intentional and deliberate with strong cross functional engagement and structures established to streamline and expedite.
- Austin has made major changes to its ordinances regarding land use and parking ordinances for housing and retail, and these improvements should result in both better overall outputs for a transit supportive community and better position the application for a larger amount of federal funding towards the total project cost.

Accelerator for America Action (AFAA) will be monitoring the implementation of Project Connect and working alongside Austin leaders to support its success. As this multi-year project continues to take form, AFAA will publish updates to this “living case study” that documents the project’s progress and compares against best practices. Future publications will examine the following topics and more:

- **Delivery Model:** After ATP’s procurement process concludes, and ATP selects a “Delivery Partner,” how will ATP proceed with picking a preferred delivery model and how will the agency ensure adherence to the model?

- **Procurement:** How will ATP decide which components to combine or keep separate, keeping some pieces small to keep costs controlled and providing opportunities for more bidders, or managing costs and timeframes of larger contracts?
- **Permitting:** While the research shows the most efficient choice would have been to grant ATP direct authority, the Project Connect partners have taken laudable steps to create new, efficient permitting for rail by housing a specific office embedded within ATP to assure communication and collaboration. As the project moves from planning to implementation, future volumes of this report will document how well this cross functional process has worked and lessons learned against a vertically integrated approach.

Further editions of these reports will also include review of land acquisition strategies, utility relocation, and station design (favoring standardization over customization).

AFAA looks forward to collaborating with local partners in Austin throughout this process and future volumes of this report.

### **ABOUT ACCELERATOR FOR AMERICA ACTION (AFAA)**

Accelerator for America Action (AFAA) is about shaping a better tomorrow through transit and infrastructure investment. As a 501(c)(4) non-profit organization, AFAA is uniquely positioned to help cities and regions build innovative projects that connect neighborhoods, create good-paying jobs, and foster a prosperous and thriving future.