

Dated: July 16, 2012.

**Stephen Randolph,**

*Executive Secretary, Advisory Committee on Historical Diplomatic Documentation, Department of State.*

[FR Doc. 2012-18662 Filed 7-30-12; 8:45 am]

BILLING CODE 4710-11-P

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary of Transportation

#### Letters of Interest for Credit Assistance Under the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program

**AGENCIES:** Office of the Secretary of Transportation (OST), U.S. Department of Transportation (DOT), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA), Federal Transit Administration (FTA).

**ACTION:** Notice of funding availability and request for comments.

**SUMMARY:** Pursuant to the recently enacted Moving Ahead for Progress in the 21st Century Act (MAP-21), DOT announces the availability of funding authorized in the amount of \$1.75 billion (\$750 million in Federal Fiscal Year (FY) 2013 funds and \$1 billion in FY 2014 funds (and any funds that may be available from prior fiscal years)) to provide TIFIA credit assistance for eligible projects. The FY 2013 and FY 2014 funds are subject to an annual obligation limitation that may be established in appropriations law. The amount of TIFIA budget authority available in a given year may be less than the amount authorized for that fiscal year. Under TIFIA, DOT provides secured (direct) loans, lines of credit, and loan guarantees to public and private applicants for eligible surface transportation projects. Projects must meet statutorily specified eligibility criteria to receive credit assistance.

This notice outlines the process that project sponsors must follow in seeking TIFIA credit assistance. DOT is publishing this notice to give project sponsors an opportunity to submit Letters of Interest for the newly authorized funding as soon as possible. However, in addition to authorizing more funding for TIFIA credit assistance, MAP-21 made some significant changes to the TIFIA program's structure, including the terms and conditions pursuant to which DOT can provide TIFIA credit assistance. While this notice provides guidance about how DOT will implement some of the changes made by MAP-21, it does

not provide guidance about how DOT will implement all of these changes. Further information about the changes made by MAP-21 and additional DOT guidance for implementation of these provisions is provided in Part VII below. Also, Part VII invites interested parties to submit comments about DOT's implementation of MAP-21 and DOT's guidance for awarding TIFIA credit assistance. Unless otherwise noted, statutory section references in this notice are to sections of title 23 of the U.S. Code, as amended by MAP-21, which takes effect on October 1, 2012.

**Letter of Interest Submission:** All project sponsors wishing to apply for TIFIA credit assistance must first submit a Letter of Interest, as more fully described in this notice of funding availability. Letters of Interest will be received on a rolling basis commencing on the date hereof, using the form on the TIFIA Web site: [http://www.fhwa.dot.gov/ipd/tifia/guidance\\_applications/index.htm](http://www.fhwa.dot.gov/ipd/tifia/guidance_applications/index.htm). Project sponsors that have previously submitted Letters of Interest for a prior fiscal year's funding, but have not been asked by DOT to submit an application as of the date of this notice, must submit a new Letter of Interest to be considered for the funding described in this notice of funding availability.

**Addresses for Letters of Interest:** Submit all Letters of Interest to the attention of Mr. Duane Callender via email at: [TIFIAcredit@dot.gov](mailto:TIFIAcredit@dot.gov). Submitters should receive a confirmation email, but are advised to request a return receipt to confirm transmission. Only Letters of Interest received via email, as provided above, shall be deemed properly filed.

**Addresses for Comments:** You must include the agency name (Office of the Secretary of Transportation) and the docket number DOT-OST-2012-0130 with your comments. To ensure your comments are not entered into the docket more than once, please submit comments, identified by the docket number DOT-OST-2012-0130, by only one of the following methods:

**Web site:** The U.S. Government electronic docket site is [www.regulations.gov](http://www.regulations.gov). Go to this Web site and follow the instructions for submitting comments into docket number DOT-OST-2012-0130;  
**Fax:** Telefax comments to: 202-366-2908.

**Mail:** Mail your comments to U.S. Department of Transportation, 1200 New Jersey Avenue SE., Docket Operations, M-30, Room W12-140, Washington, DC 20590; or

**Hand Delivery:** Bring your comments to the U.S. Department of

Transportation, 1200 New Jersey Avenue SE., Docket Operations, M-30, West Building Ground Floor, Room W12-140, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**Instructions for Submitting Comments:** You must include the agency name (Office of the Secretary of Transportation) and Docket number DOT-OST-2012-0130 for this notice at the beginning of your comments. You should submit two copies of your comments if you submit them by mail or courier. For confirmation that the Office of the Secretary of Transportation has received your comments you must include a self-addressed stamped postcard. Note that all comments received will be posted without change to [www.regulations.gov](http://www.regulations.gov), including any personal information provided, and will be available to Internet users. You may review the Department's complete Privacy Act Statement in the **Federal Register** published April 11, 2000 (65 FR 19477), or you may visit [www.regulations.gov](http://www.regulations.gov).

**FOR FURTHER INFORMATION CONTACT:** For further information regarding this notice please contact Duane Callender via email at [TIFIAcredit@dot.gov](mailto:TIFIAcredit@dot.gov) or via telephone at (202) 366-1059. A TDD is available at (202) 366-7687. Substantial information, including the TIFIA Program Guide and application materials, can be obtained from the TIFIA Web site: <http://www.fhwa.dot.gov/ipd/tifia/>. The TIFIA Program Guide is being updated to reflect changes to the program under MAP-21.

#### SUPPLEMENTARY INFORMATION:

##### Table of Contents

- I. Background
- II. Program Funding
- III. Eligible Projects
- IV. Types of Credit Assistance
- V. Eligibility Requirements
- VI. Application Process
- VII. Additional Guidance and Request for Comments

#### I. Background

The Transportation Equity Act for the 21st Century (TEA-21), Public Law 105-178, 112 Stat. 107, 241 established the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA), authorizing DOT to provide credit assistance in the form of secured (direct) loans, lines of credit, and loan guarantees to public and private applicants for eligible surface transportation projects. In 2005, Congress enacted the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)

(Pub. L. 109–59, 119 Stat. 1144), which made a number of amendments to TIFIA including lowering the estimated project cost thresholds and expanding eligibility for TIFIA credit assistance. On July 6, 2012, the President signed into law MAP–21 (Pub. L. 112–141), which provided for substantial changes in the TIFIA credit program under Sections 2001 and 2002 of MAP–21 (such sections are referred to in MAP–21 as the America Fast Forward Financing Innovation Act of 2012). This notice of funding availability addresses certain changes to the TIFIA credit program made by MAP–21 and solicits Letters of Interest for the funding made available under that law. The TIFIA program is a departmental program. The Office of the Assistant Secretary for Budget and Programs and Chief Financial Officer oversees the TIFIA program and the Joint Program Office on behalf of the Secretary, including the evaluation of individual projects, and provides overall policy direction and program decisions for the TIFIA program. Final approval of credit assistance is reserved for the Secretary.

## II. Program Funding

MAP–21 authorizes \$750 million in FY 2013 and \$1 billion in FY 2014 in TIFIA budget authority from the Highway Trust Fund to pay the subsidy cost of credit assistance. Additional funds may also be available from budget authority carried over from previous fiscal years. Any budget authority not obligated in the fiscal year for which it is authorized remains available for obligation in subsequent years.<sup>1</sup> The TIFIA budget authority is subject to an annual obligation limitation that may be established in appropriations law. Like all funds subject to the annual Federal-aid obligation ceiling, the amount of TIFIA budget authority available in a given year may be less than the amount authorized for that fiscal year.

After reductions for administrative expenses and application of the annual obligation limitation, TIFIA will have approximately \$690 million available in FY 2013 and \$920 million in FY 2014 to provide credit subsidy support to projects. Although dependent on the individual risk profile of each credit instrument, collectively, and based on historic subsidy costs, this budget authority could support approximately \$6.9 billion in lending capacity in FY

2013 and \$9.2 billion in lending capacity in FY 2014. Given statutory changes in the TIFIA credit program under MAP–21, and the need to calculate credit subsidies on a project-by-project basis, actual lending capacity could vary.

## III. Eligible Projects

DOT has provided TIFIA credit assistance across a broad range of project types, including a variety of transportation modes and the surface transportation components of multifaceted development and redevelopment projects. Generally, eligible projects include highway projects, passenger rail projects, transit and intermodal projects, private rail facilities providing public benefit to highway users, surface transportation infrastructure modifications necessary to facilitate direct intermodal transfer and access into and out of a port terminal, intelligent transportation systems, surface transportation projects eligible for Federal assistance under title 23 or title 49 of the U.S. Code, international bridges and tunnels, and intercity passenger bus or rail facilities and vehicles. Additionally, MAP–21 expands eligibility to include related improvement projects grouped together, so long as the individual components are eligible and the related projects are secured by a common pledge.

## IV. Types of Credit Assistance

DOT may provide credit assistance in the form of secured (direct) loans, lines of credit, and loan guarantees. These types of credit assistance are defined in Section 601. The TIFIA credit facility, which must have a senior or senior-parity lien in the event of bankruptcy, liquidation or insolvency, can be subordinate as to cash flows absent such an event.<sup>2</sup> MAP–21 increases the maximum amount for a TIFIA secured loan for a project to 49 percent<sup>3</sup> of the project's eligible project costs. For a TIFIA line of credit, the maximum amount remains at 33 percent of the project's eligible project costs. Project

sponsors may not include any of the fees assessed by TIFIA, or costs related to the application process (such as charges associated with obtaining the required preliminary rating opinion letter referenced in Part VI), among eligible project costs for the purpose of calculating the maximum 49 or 33 percent credit amount. Project sponsors should identify in each Letter of Interest the level of funding (including the percentage of eligible project costs) being requested, as specified in Part VI.

Section 603(b)(4) provides that the interest rate on a secured loan may not be less than the yield on U.S. Treasury securities of a similar maturity to the maturity of the secured loan on the date of execution of the loan agreement (for lines of credit, Section 604(b)(4) provides that the interest rate may not be lower than the 30-year rate for U.S. Treasury securities, as of the date of execution of the line of credit agreement) (the Treasury Rate). In general, the TIFIA interest rate is equal to the Treasury Rate on the date of execution of the TIFIA credit instrument. However, MAP–21 allows for 10 percent of the TIFIA program's budget authority to be provided to rural infrastructure projects at a reduced interest rate of one-half of the Treasury Rate. Rural infrastructure projects are defined in MAP–21 as surface transportation infrastructure projects located in any area other than a city with a population of more than 250,000 inhabitants within the city limits. The reduced interest rate applies only to rural projects funded with the 10 percent of budget authority set-aside.

To the extent adequate funds may not be available to provide a reduced interest rate to all rural infrastructure projects submitting Letters of Interest, DOT may prioritize rural infrastructure projects to receive the reduced rate based on the project's (i) location outside of an urbanized area (as defined in Section 101(a)(34)), (ii) alignment with MAP–21's reduced total minimum eligible project cost requirement of \$25 million for rural infrastructure projects (as noted in Part V below), and (iii) readiness to proceed, to avoid redistribution pursuant to the directive in MAP–21 that any amounts set aside for rural infrastructure that remain unobligated by June 1 of the fiscal year for which the amounts were set aside shall be available for obligation by the Secretary on projects other than rural infrastructure projects.

In addition, MAP–21 allows existing Federal financing instruments for rural infrastructure projects to be refinanced with TIFIA credit assistance.

<sup>1</sup> If the cumulative unobligated and uncommitted balance of funding available as of April 1 of any fiscal year beginning in FY 2014 is more than 75 percent of the amount made available for such fiscal year, then the Secretary must distribute the amount in excess of 75 percent of such amount among the States.

<sup>2</sup> MAP–21 includes a new provision pursuant to which a waiver of TIFIA's nonsubordination requirement may be provided in connection with secured loans or lines of credit for public agency borrowers having senior bonds under preexisting indentures, so long as (i) the TIFIA loan is rated A or higher, (ii) the revenue pledge is not affected by project performance or is a system pledge and (iii) TIFIA is financing 33 percent or less of the eligible project costs. However, in such cases, the maximum credit subsidy to be paid by the Government may not be more than 10 percent of the principal amount of the loan, and the obligor is responsible to pay any remaining subsidy cost.

<sup>3</sup> Limited to 33 percent where the nonsubordination requirement is waived, as described in footnote 3.

## V. Eligibility Requirements

A project must meet all of the eligibility criteria set forth in Section 602(a) to receive TIFIA credit assistance.

For instance, projects seeking TIFIA assistance must meet certain statutory threshold requirements for project costs. Generally, the minimum size for TIFIA projects are those having at least \$50 million in total eligible project costs; however, the minimum size for TIFIA projects principally involving the installation of an intelligent transportation system is \$15 million. MAP-21 requires a minimum of \$25 million in total eligible project costs for rural infrastructure projects (as defined in Part IV above).

Each project seeking TIFIA assistance must submit an application acceptable to the Secretary pursuant to the process set forth in this notice, and must satisfy applicable State and local transportation planning requirements. Each private applicant must receive public approval for its project as demonstrated by satisfaction of the applicable planning and programming requirements. Each project must have a dedicated revenue source to repay the TIFIA loan. Projects receiving TIFIA credit assistance have been supported by a variety of revenue sources, including tolls, user fees, payments owing to the obligor under a public-private partnership (or availability payments), and other dedicated revenue sources that also secure or fund the project obligations (including real estate tax increments, interjurisdictional funding agreements and room and sales taxes).

The eligibility criteria also require a determination by DOT that the project is creditworthy, which must be based on, at a minimum: (a) A rate covenant, if applicable, (b) adequate coverage requirements to ensure repayment, and (c) meeting the rating requirements set forth in Part VI below. DOT will also utilize a report and recommendation from an independent financial advisor and any other information it needs to determine a project's creditworthiness.

Section 602(a) further requires that each project: (i) Foster (if appropriate) partnerships that attract public and private investment for the project, (ii) enable the project to proceed at an earlier date than the project would otherwise be able to proceed or reduce lifecycle costs (including debt service costs) of the project, and (iii) reduce the contribution of Federal grant assistance for the project.

MAP-21 provides that all projects demonstrate that the construction contracting process for the project can commence no more than 90 days after

execution of a TIFIA credit instrument. MAP-21 codifies an already-existing regulation barring obligation of credit assistance for a project until it receives a categorical exclusion, finding of no significant impact or record of decision, pursuant to the National Environmental Policy Act.

## VI. Application Process

MAP-21 establishes a multi-step application process for TIFIA credit assistance. This process begins with the submission of a Letter of Interest and determination of eligibility. Only after a project sponsor has submitted a Letter of Interest and met all statutory eligibility requirements will the project sponsor be invited to submit an application.

The Letter of Interest must (i) describe the project and the location, purpose, and cost of the project, (ii) outline the proposed financial plan, including the requested credit assistance and the proposed obligor, (iii) provide a status of environmental review, and (iv) provide information regarding satisfaction of other eligibility requirements of the TIFIA credit program. Letters of Interest must be submitted using the form on the TIFIA Web site: [http://www.fhwa.dot.gov/ipd/tifia/guidance\\_applications/index.htm](http://www.fhwa.dot.gov/ipd/tifia/guidance_applications/index.htm). DOT has revised the form for the Letter of Interest to reflect changes made to the TIFIA program by MAP-21.<sup>4</sup>

The Letter of Interest form requires project sponsors to provide information demonstrating satisfaction (or expected satisfaction if permitted by the statute) of each of the eligibility requirements included in MAP-21. These eligibility requirements are outlined above in Part V and elsewhere in this notice.

As described in Part IV, MAP-21 authorizes DOT to provide TIFIA secured loans to finance up to 49 percent of reasonably anticipated eligible project costs, which is substantially more than the maximum of 33 percent that DOT could previously provide. The Letter of Interest form requires project sponsors requesting TIFIA credit assistance to provide a rationale for the amount of TIFIA credit assistance they are requesting, as a percentage of their reasonably anticipated eligible project costs. Similarly, the revised form requires any project sponsor to specify whether it has flexibility in its financial plan to finance the project with a reduced percentage of TIFIA credit assistance. In providing a rationale for the amount of credit

<sup>4</sup> For instance, the revised form no longer requires the project sponsor to demonstrate alignment with specific selection criteria, which were removed by MAP-21.

assistance requested, a project sponsor can demonstrate that traditional sources of financing are not available at feasible rates without the TIFIA assistance, or that the costs of traditional financing options would constrain the sponsor's ability to deliver the project, or that delivery of the project through traditional financing approaches would constrain the sponsor's ability to deliver a group of related projects, or a full capital program. This information will help DOT ensure that it allocates TIFIA's budget authority effectively.

Project sponsors must also describe the purpose of their project in the Letter of Interest form, including the public purpose of the project. Project sponsors should provide quantitative or qualitative information about the public benefits that their projects will achieve. Examples of public benefits include objectives specified in Section 101 and 49 U.S.C. 101(a) and 5301, other DOT grant or credit assistance programs, relevant Federal, state, or local transportation laws or plans, and other public benefits that can be achieved through transportation investments. DOT will evaluate each Letter of Interest to determine whether it would be in the public interest to provide credit assistance to the proposed project. This evaluation of each project's purpose will help DOT ensure accountability in its allocation of TIFIA program funds.

In the context of a public-private partnership, where multiple bidders may be competing for a concession such that the obligor has not yet been identified, the procuring agency must submit the project's Letter of Interest on behalf of the eventual obligor. DOT will not consider Letters of Interest from entities that have not obtained rights to develop the project.

Any project sponsor that has previously submitted a Letter of Interest for a prior fiscal year's funding, but has not been asked by DOT to submit an application as of the date of this notice, must submit a Letter of Interest using the revised form.

DOT will review each Letter of Interest submitted in accordance with this NOFA. DOT may contact project sponsors for clarification of specific information included in the Letter of Interest. DOT will notify project sponsors if DOT determines that their projects are not eligible, or that DOT will not be able to continue reviewing their Letter of Interest until certain eligibility concerns are addressed. If DOT does not determine a project to be ineligible based on its initial review, DOT will request additional information to supplement the Letter of Interest and complete its eligibility determination.

This information may include, among other things, more detailed descriptions of the project, the project's readiness to proceed, the project's financial plan, including financial commitments to the project from sources other than TIFIA, and/or the applicant and its organizational structure. Before completing its review of a Letter of Interest and rendering a determination of eligibility, DOT will request that the project sponsor provide a preliminary rating opinion letter, as further described below, and DOT will engage an independent financial advisor to prepare a report and recommendation acceptable in form and substance to DOT. DOT may also engage an independent legal advisor to help complete its evaluation of a project's eligibility. There is no fee to submit a Letter of Interest. However, the project sponsor must pay fees in the amount of \$100,000 before DOT hires financial and/or legal advisors as part of the Letter of Interest review process. These fees are due upon request by DOT.

After concluding its review of the Letter of Interest and making a determination of eligibility, DOT will inform the project sponsor of its determination. If a project is determined to be eligible, DOT will inform the project sponsor that it may submit an application. If DOT determines that a project is ineligible, it will notify the project sponsors of this determination and/or that DOT will not be able to continue reviewing the Letter of Interest until certain eligibility concerns are addressed. DOT will review Letters of Interest on a rolling basis and invite project sponsors to apply once a favorable eligibility determination is made.

Prior to execution of a TIFIA credit instrument, the senior debt obligations for each project receiving TIFIA credit assistance must obtain investment grade ratings from at least two nationally recognized rating agencies, and the TIFIA debt obligations must obtain ratings from at least two nationally recognized rating agencies, unless the total amount of the debt is less than \$75 million, in which case only one investment grade rating is required for the senior debt obligations and one rating for the TIFIA debt obligations. The term rating agency is defined in Section 601(a)(14) and 49 CFR part 80.3. If the TIFIA credit instrument is proposed as the senior debt, then it must receive the investment grade ratings.

To demonstrate the potential to achieve the above rating requirements, each project sponsor must provide a preliminary rating opinion letter from a

credit rating agency that addresses the creditworthiness of the senior debt obligations funding the project and concludes that there is a reasonable probability for the senior debt obligations to receive an investment grade rating. The preliminary rating opinion letter should also provide an opinion on the default risk for the TIFIA instrument and must provide indicative ratings for both the senior debt obligations and the TIFIA credit instrument. A project that does not demonstrate the potential for its senior obligations to receive an investment grade rating will not be considered for TIFIA credit assistance. More detailed information about these TIFIA credit opinions and ratings may be found in the Program Guide on the TIFIA Web site at: [http://www.fhwa.dot.gov/ipd/tif/guidance\\_applications/index.htm](http://www.fhwa.dot.gov/ipd/tif/guidance_applications/index.htm). As noted elsewhere in this notice of funding availability, the Program Guide is being updated in light of MAP-21.

An invitation to apply for credit assistance does not guarantee DOT's approval, which will remain subject to a project's continued eligibility, including creditworthiness, the successful negotiation of terms acceptable to the Secretary, and the availability of funds. In determining the availability of funds, DOT may consider other projects seeking credit assistance through TIFIA.

MAP-21 contains a timeline for assessing applications for credit assistance. No later than 30 days after receipt of an application, DOT will inform each applicant whether its application is complete, or if not complete, identify additional materials needed to complete the application. No later than 60 days after issuing such notice, the applicant will be notified whether the application is approved or disapproved.

As noted above, the project sponsor must pay fees in the amount of \$100,000 before DOT hires financial and/or legal advisors as part of the Letter of Interest review process. These fees are due upon request by DOT. Additional fees will be charged after the credit instrument is executed, including additional amounts required to fully cover TIFIA's financial and legal advisory services costs in connection with the evaluation and negotiation of terms of TIFIA credit assistance for the project. More detailed information about these fees can be found in the TIFIA Program Guide, which is in the process of being updated to reflect the changes made by MAP-21: [http://www.fhwa.dot.gov/ipd/pdfs/tif/tif\\_program\\_guide\\_072511.pdf](http://www.fhwa.dot.gov/ipd/pdfs/tif/tif_program_guide_072511.pdf).

TIFIA borrowers should expect to track and report certain information

with respect to each project's performance. The information may be used to assist DOT in determining whether TIFIA is meeting the program's goals of leveraging federal funds and encouraging private co-investment. DOT may also use the information for purposes of identifying and measuring performance with respect to goals, strategies, time frames, resources and stakeholder involvement.

## VII. Additional Guidance and Request for Comments

As noted in the Summary section, DOT is publishing this notice to give project sponsors the opportunity to submit Letters of Interest for the newly authorized funding as soon as is practicable. However, in addition to authorizing more funding for TIFIA credit assistance, MAP-21 made some significant changes to the TIFIA program's structure, including the terms and conditions pursuant to which DOT can provide TIFIA credit assistance. This notice identifies the process for submitting letters of interest, and provides guidance about how DOT will implement some of the changes made by MAP-21, but it does not provide comprehensive guidance about how DOT will implement all of the changes made by MAP-21 that become effective on October 1, 2012.

This notice also does not include an exhaustive list of statutory and program requirements. The Background section of this notice identifies the relevant laws that govern the TIFIA program. MAP-21 provides that the Secretary may promulgate such regulations as the Secretary determines to be appropriate to carry out the TIFIA program. The TIFIA regulations (49 CFR part 80), which provide specific guidance on the program requirements, were last updated in 2001, and have not been updated to reflect changes enacted in SAFETEA-LU and MAP-21. Because such existing rules have not been updated, MAP-21 should be the basis for up-to-date guidance. The primary document that the TIFIA program has used in recent years to provide supplemental program guidance has been a "Program Guide" published on the TIFIA Web site. DOT expects to update the TIFIA Program Guide on the TIFIA Web site to reflect changes made by MAP-21. For additional guidance, applicants are encouraged to check the TIFIA program Web site regularly to obtain updated programmatic and application information.

Because of the significance of the changes made by MAP-21 to the TIFIA program, this notice invites interested parties to submit comments about

DOT's implementation of MAP-21 and DOT's guidance for awarding TIFIA credit assistance. Interested parties can provide comments on any aspect of DOT's implementation of the changes made by MAP-21. DOT will consider these comments as it continues to implement the program and develop supplemental program guidance. The instructions for submitting comments are included below.

Comments should be sent to DOT by September 1, 2012. Late-filed comments will be considered to the extent practicable.

**Authority:** 23 U.S.C. §§ 601–609 (as set forth in MAP-21); 49 CFR part 1.48(b)(6); 23 CFR part 180; 49 CFR part 80; 49 CFR part 261; 49 CFR part 640.

Issued on: July 27, 2012.

**Ray LaHood,**

Secretary.

[FR Doc. 2012–18785 Filed 7–30–12; 8:45 am]

**BILLING CODE 4910–9X–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Transit Administration

#### Preparation of an Environmental Impact Statement for the Redlands; Passenger Rail Project in the Cities of San Bernardino and Redlands, CA

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Notice of Intent to prepare an Environmental Impact Statement/ Environmental Impact Report (EIS/EIR).

**SUMMARY:** FTA and San Bernardino Associated Governments (SANBAG) intend to prepare an EIS/EIR for the Redlands Passenger Rail Project (RPRP or Project). Early in 2012, FTA and SANBAG began the preparation of an Environmental Assessment (EA)/EIR for the RPRP and conducted two scoping meetings; one on April 24 in the City of Redlands and the other on May 2 in the City of San Bernardino. Based on the input received from the community, including written comment letters, and preliminary findings from ongoing technical studies, FTA determined that an EIS is required. The EIS/EIR will be prepared in accordance with regulations implementing the National Environmental Policy Act (NEPA: 42 U.S.C. 4321 et seq.) of 1969 and the regulations implementing NEPA set forth in 40 CFR Parts 1500–1508 and 23 CFR Part 771, as well as provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The purpose of this Notice is to:

- Advise the public that FTA is the lead Federal agency;
- Provide information about the proposed project, purpose and need for the project, and alternatives to be considered; and
- Invite public and agency participation in the EIS process.

The EIS/EIR will examine alternatives to provide a cost-effective, alternative travel option for communities located along the Redlands Corridor in a way that improves transit mobility, travel times, and corridor safety.

**DATES:** The date, time, and location for the public scoping meetings are as follows:

**August 14, 2012**

5:30 p.m. to 7:30 p.m.

ESRI Café, 380 New York Street, Redlands, CA 92373.  
August 15, 2012

5:30 p.m. to 7:30 p.m.

San Bernardino Hilton, 1755 South Waterman Avenue, San Bernardino, CA 92408.

These locations are accessible by persons with disabilities. If special translation or signing services or other special accommodations are needed, please contact Robert Chevez at Westbound Communications (909–384–8188) at least 48 hours before the meeting.

**ADDRESSES:** Written comments may be submitted to Mitchell A. Alderman, P.E., Director of Transit & Rail Programs, SANBAG, 1170 W. 3rd St, 2nd Floor, San Bernardino, CA 92410, or emailed to [RPRP\\_Public\\_Comments@sanbag.ca.gov](mailto:RPRP_Public_Comments@sanbag.ca.gov). Written comments may also be submitted to Mr. Hymie Luden, City and Regional Planner, FTA, Region 9, 201 Mission Street, Suite 1650 San Francisco, CA 94105.

In accordance with Section 6002 of SAFETEA-LU, FTA and SANBAG invite comment on the scope of the EIS/EIR, specifically on the Project's purpose and need, the alternatives to be evaluated that may address the purpose and need, and the potential impacts of the alternatives considered. Comments on scope of the EIS/EIR must be received no later than 5:00 p.m. Pacific Standard Time on August 31, 2012. A scoping information packet is available on the Web site at: <http://sanbag.ca.gov/projects/redlands-transit.html> or by calling Jane Dreher, SANBAG's Public Information Officer (909–884–8276). Copies will also be available at the scoping meetings.

**SUPPLEMENTARY INFORMATION:**

*Purpose and Need for the Project:* The overall purpose of the Project is to

provide a cost-effective, travel alternative for communities located along the Redlands Corridor that would improve transit mobility, travel times, and corridor safety while minimizing adverse environmental impacts. The RPRP would provide travelers and commuters with a new mobility option that would achieve more-efficient travel times than automobiles or other transit alternatives within an existing corridor. The Project is needed because population growth has increased roadway congestion, which has increased commute travel times for work and recreational purposes, increased the number of hours of lost productivity, increased fuel consumption, contributed to air pollution, interfered with emergency response vehicles, and caused spillover effects onto secondary and alternative routes. SANBAG also needs to maintain existing freight service along the corridor per its purchase agreement with the Burlington Northern Santa Fe (BNSF) Railroad.

*Project Location and Environmental Setting:* The RPRP would introduce passenger rail service along an existing railroad right-of-way (ROW) from the City of San Bernardino on the west to the City of Redlands on the east. This existing ROW is commonly referred to as the Redlands Corridor, an approximately 9-mile rail spur segment that extends east from E Street in the City of San Bernardino. Passenger rail service would serve passengers from five platforms located at E Street, Tippecanoe Avenue, New York Street, Orange Street, and University Street. SANBAG proposes the construction of a single track within a ROW 50 feet wide, with a passing siding one-mile long located near the midpoint of the alignment. Project components would include track improvements; boarding platforms; passenger amenities such as ticket vending machines, shade canopies with seating; pedestrian access to the public ROW, lighting, parking areas; grade crossing improvements; utility and traffic improvements; and construction of a train layover facility. The proposed Project would not include the purchase of additional vehicles. Passenger rail operations would start in 2018.

*Possible Alternatives:* The EIS/EIR will consider alternatives to the proposed Project consistent with the requirements of NEPA. SANBAG anticipates that this may include consideration of Alternative 1—No Build, Alternative 2—Preferred Project, Alternative 3—Reduced Project Footprint, Alternative 4—Light Rail Transit, Alternative 5—Bus Rapid