**Section 651.304 Criteria Considered in Review of Capital Assistance Applications**

In addition to the criteria listed in Section 651.301 herein for the evaluation of operating assistance applications, the Department will consider the following additional criteria in evaluating the applications for capital assistance and comparing and selecting the proposed capital programs (in whole or in part) for Section 18 funding:

a) If proposed eligible capital expenses are to be incurred for the replacement of existing vehicles, whether the condition of the existing vehicles justifies such replacement.

b) Whether other vehicles or equipment are available within the proposed service area, and to what extent such vehicles or equipment could meet the transportation needs outlined in the application.

c) Whether other funding sources are available to fund the eligible capital expenses for which Section 18 funds are being requested.

d) Whether the participant has the ability to operate and maintain the capital items for which funding is being requested.

e) Whether the transportation needs and proposed method of operating the equipment and vehicles as described in the application, indicate that such equipment and vehicles will be fully utilized.

f) If proposed eligible capital expenses are to be incurred for the purchase or construction of fixed facilities, in addition to the other criteria listed in this Section:

1) Whether the proposed fixed facilities are necessary in relation to the participant's current level of service; and

2) Whether it can be expected that the participant will utilize the fixed facility in the provision of transit services beyond the four year period of the Section 18 program and for the useful life of the facility; and

3) Whether the amount of funds requested for such fixed facilities is so great as to prevent compliance by the Department with federal requirements that Section 18 funds be expended on a fair and equitable basis.