



December 8, 2014

Bill Hargis, Chair
Transportation Advisory Board
390 North Robert St
St. Paul MN 55101

RE: 2015-2016 Congestion Mitigation Air Quality (CMAQ) Funding Awards

Dear Chair Hargis:

This letter serves as notice that Metro Transit withdraws the past West 7th/B Line project awards and also proposes potential alternate uses of the CMAQ funds prior to their expiration in mid-2015 (\$5,257,855) and 2016 (\$7,000,000) for TAB to consider. In May 2014 the Transportation Advisory Board (TAB) accepted a proposal by Metro Transit to shift awarded Congestion Mitigation Air Quality (CMAQ) funds between two regional transit projects. The action moved \$7,000,000 of CMAQ funds awarded for program year 2016 from a Chicago Avenue service demonstration and bus purchase project, to the B Line project, an arterial bus rapid transit line along West 7th Street in St. Paul. These additional funds for the B Line project supplemented a program year 2015 CMAQ award for West 7th Street buses, technology, and service demonstration. These two CMAQ awards joined other awarded funds that fully funded the \$28 M B Line project.

Since TAB's action, Ramsey County commissioners and St. Paul policymakers expressed new concerns that implementing the B Line project could negatively impact the future implementation of a larger New Starts transitway project in the Riverview Corridor. The County had previously supported near-term B Line implementation as Riverview Corridor planning began in 2013 - this support has since reversed. The Metropolitan Council has subsequently agreed to suspend B Line implementation; the two TAB CMAQ funding awards will not be used within the awarded 2015 and 2016 program years.

Developing a regional program of arterial BRT corridors is a top priority for the Metropolitan Council. If Metro Transit had known past local support for B Line implementation would not continue, other arterial BRT corridors would have been advanced for funding consideration. As a result of Ramsey County's request to suspend the B Line implementation, Metro Transit has shifted its near-term BRT implementation work to other corridors.

In 2013 and 2014 Metro Transit, Minneapolis, and Hennepin County have developed a project to implement improvements along Penn Avenue north in coordination with the Penn Avenue Community Works project. A major component of this project would implement Metro Transit's C Line BRT project. If funding allows the C Line project can be constructed in 2016. The C Line project includes buses, technology, and station improvements that will significantly improve speed, reliability, and facilities in the Penn Avenue corridor. Over 25% of Penn Avenue corridor users today are on buses, which carry over 6,000 passengers daily. BRT implementation would increase ridership to 9,300 daily in 2030. Despite high ridership throughout the corridor, narrow sidewalks prevent installation of even basic bus shelters. Implementing BRT would widen sidewalks to allow pedestrian improvements as well as robust transit infrastructure including heat, lighting, security cameras, real-time signage, and enhanced fare collection enforcement by Metro Transit Police. The project also has strong local support, with Minneapolis,

A service of the Metropolitan Council

Brooklyn Center and Hennepin County having recently passed resolutions supporting the project's implementation.

In addition, Metro Transit is completing final design of improvements for Snelling Avenue/A Line arterial BRT, which was awarded \$6,430,000 by TAB in the 2011 Regional Solicitation for bus and technology improvements in program year 2015. Detailed designs and inflation since 2011 have revealed additional funding needs. Consistent with TAB policy, the project would benefit from an additional award to deliver the awarded project scope.

Metro Transit proposes the following funding actions for TAB's consideration regarding the withdrawn CMAQ funds for 2015 and 2016:

- Award \$566,527 of the state fiscal year 2015 (SFY2015) CMAQ funds to supplement TAB's \$6,433,473 CMAQ award to Snelling Avenue/A Line transit improvements, reaching the \$7,000,000 project cap (and within 80% Federal match requirement) as established in the 2011 Solicitation. Metro Transit would commit the additional match of \$141,632 to the project.
- Award the remaining \$4,691,328 of SFY2015 CMAQ funds from the B Line/West 7th buses, service, and technology project to C Line bus expansion and technology improvements. Metro Transit commits to identify non-federal matching funds of \$1,172,832 for this project award.
- Award the \$7,000,000 of SFY2016 CMAQ funds allocated to the B Line project to the C Line project. Metro Transit commits to identify the necessary non-federal matching funds of \$1,750,000 to this project award.

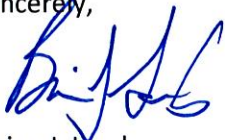
Because of the late withdrawal of B Line local support, it will not be possible to obligate the proposed C Line SFY2015 funds within program year 2015. As a potential solution to this issue, Metro Transit proposes to:

- Advance the program year of a separate project to which TAB awarded SFY2016 CMAQ funds through the 2011 Regional Solicitation: East 7th Street bus and service improvement project.
- This project is a new limited-stop bus service project on the east side of St. Paul. The route will provide a significant increase in service frequency and speed along East 7th Street. The project can be started in program year 2015. The area will also benefit from new bus shelters installed under a separate effort by Metro Transit in calendar years 2015-2016.

The proposed approach solves a funding challenge posed by the late withdrawal of local support for the B Line project, brings additional bus service to the east side of St. Paul, and allows for significant and timely investment in bus service, shelter, security, and technology infrastructure in areas of significant need.

Metro Transit has submitted a Penn Avenue application for TAB's active regional solicitation for 2018-2019 funds. If the requested funding awards in this letter are provided, Metro Transit will withdraw its 2018-2019 Penn Avenue funding application, potentially allowing additional projects to receive future funds. I request your evaluation, discussion, and approval of this action at the January TAB meeting. Please don't hesitate to contact Charles Carlson, Senior Manager of BRT and Small Starts (612-349-7639) with any questions.

Sincerely,



Brian J. Lamb
General Manager