



# Counties Transit Improvement Board's 2016 Program of Projects Investment Strategy

October 5, 2016

# CTIB's Regional Vision for Transitways

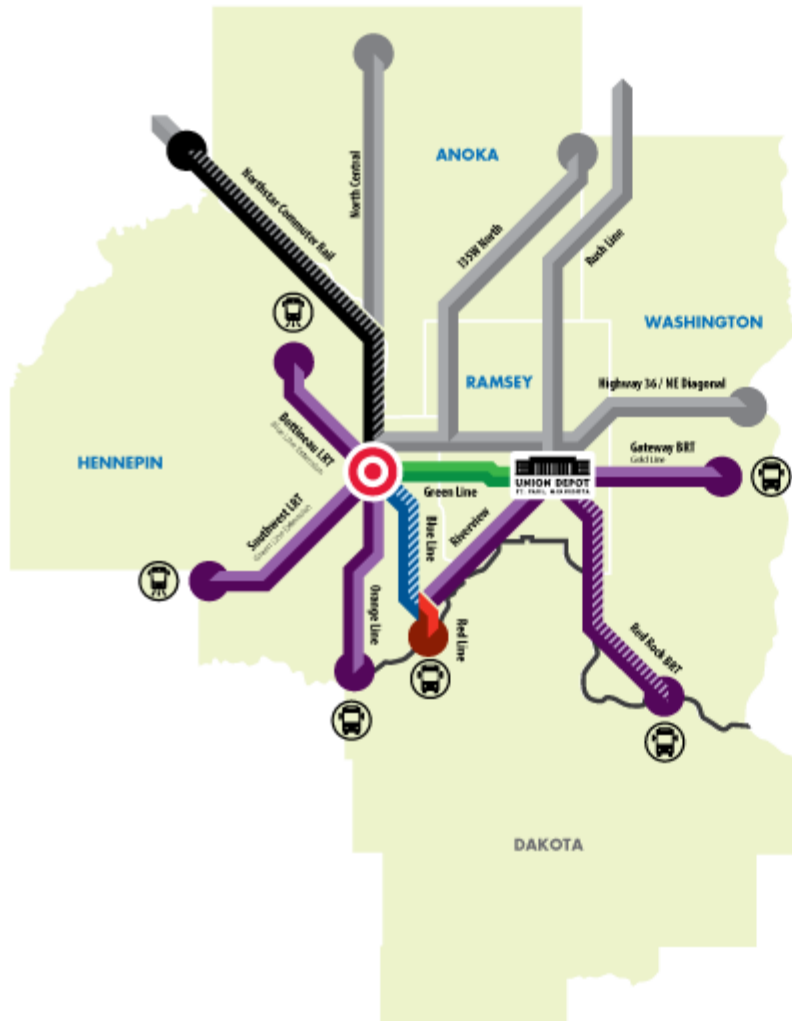
Catalytic economic development

Increased system-wide ridership

Further transit expansion



# CTIB's Program of Projects: Phase 1



## CTIB's Program of Projects Phase 1

### EXISTING TRANSITWAY

BLUE LINE LRT

GREEN LINE LRT

RED LINE LRT

NORTHSTAR COMMUTER RAIL

### PHASE ONE PROJECTS

TRANSITWAY EXPANSION

IMPROVEMENT

### FUTURE PHASES

FUTURE PROJECTS

# CTIB Key Fiscal Policies

1. Achieve regional balance & connectivity
2. Maximize availability & use of federal funding
3. Fiscal discipline & stewardship of tax dollars
4. Responsible planning & execution of financial commitments
5. Reliable funding partner

# Funding Priorities and Commitments

# Funding Priorities

1. Debt Service
2. Funding commitments: capital & operating
3. Completion of PoP Phase 1
  - CTIB Transitways
  - Transitway Improvement Projects
  - Operating Subsidies

# Debt Service

- Senior Sales Tax Revenue Note, Series 2010A
- Original amount: \$102,810,000
- Currently outstanding: \$87,755,000
- Annual debt service: ~\$8,300,000
- Final maturity: December 2030

# Capital Commitments

(in \$millions)

Corridor	PD	Eng.	Full	CTIB Funding Committed	Grants Awarded or Paid to Date	Remaining
METRO Green Line LRT	-	-	\$300,000	\$ 283,950	\$283,950	-
METRO Red Line BRT	-	-	17,700	17,700	17,700	-
Southwest LRT	\$88,600	TBD	516,500	516,500	97,700	\$418,800
Bottineau LRT	27,500	TBD	463,760	463,760	18,300	445,460
METRO Orange Line BRT	6,000	n/a	30,000	30,000	3,000	27,000
<b>TOTAL</b>				\$1,281,910	\$420,650	\$891,260



# 50% Net Operating Costs

- Hiawatha LRT
- Northstar Commuter Rail
- Cedar Avenue BRT
- I-35W South BRT
- Central Corridor LRT
- Southwest LRT (funding commitment)
- Bottineau LRT (funding commitment)

# 2016 Investment Strategy

# Purpose of the Investment Strategy

---

1. Identify specific projects eligible for funding from existing sales tax resources;
2. Examine opportunities for acceleration;
3. Track future demand and unmet needs;
4. Serve as a 5-year financial plan; and
5. Inform funding commitment decisions and annual grant solicitation.

# Sales Tax Assumptions

## 2016 PoP IS

– 2016 (2015 actual+2%)	\$119,000,000
– 2017 +2%	\$121,380,000
– 2018 and beyond	+3.50%



# Capital Grants

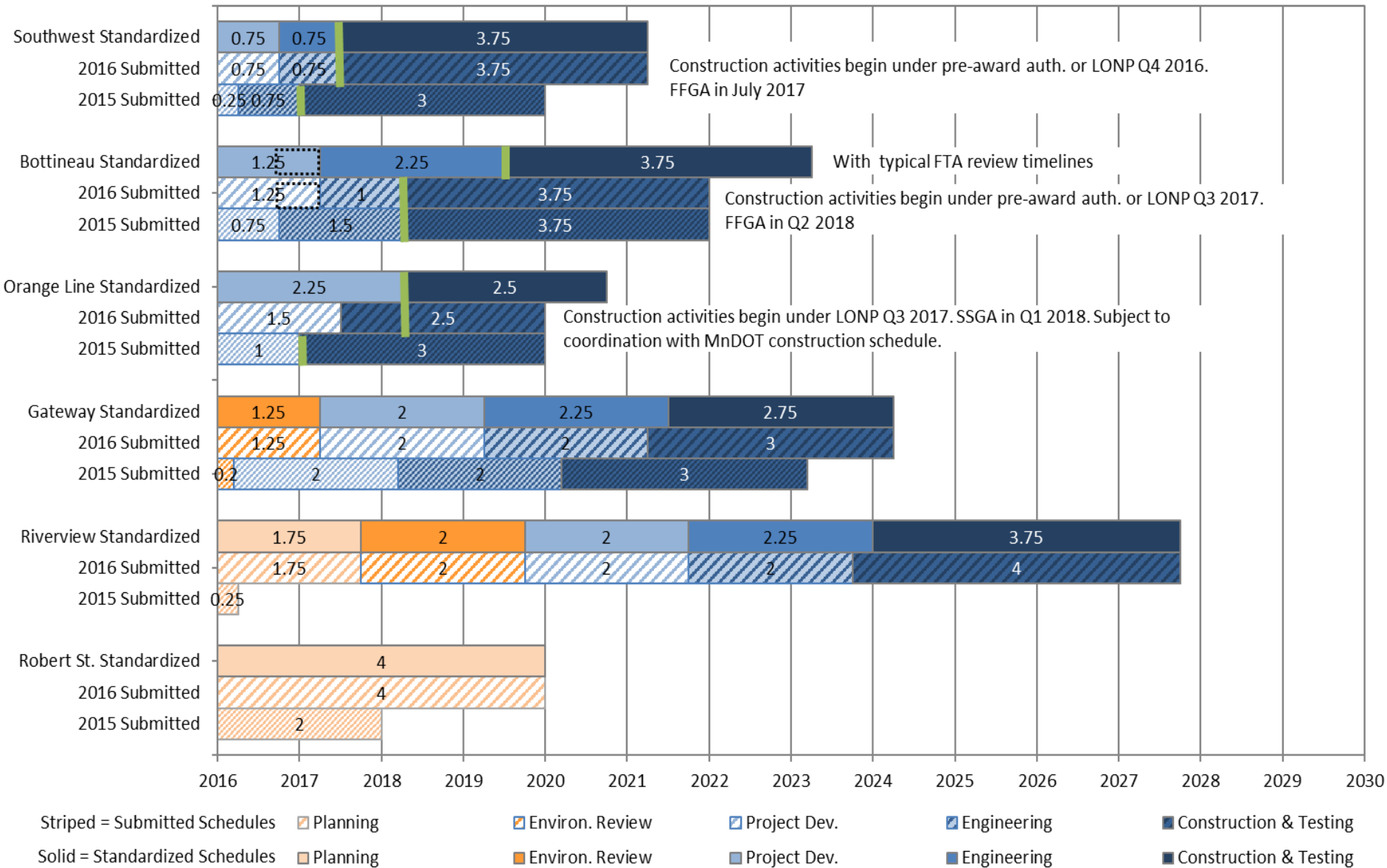
- Eligibility determined by technical readiness and financial capacity
- Lack of state funding continues to be a challenge

# POP Phase 1 Transitway Project Schedules - Submitted and Standardized

## Draft for Discussion, 07/11/16

FFGA/SSGA Assumptions

Interim period between PD & Eng.





# Operating Costs

- Since 2008, assumed standard annual increase of 3.15%
- Actual increases greater
- Grant requests anticipate an increase of 5.24% for 2017

# Operating Costs – CTIB grants

(\$\$ in millions)

	<u>2015</u>	<u>2016</u>	<u>% Change</u>
Blue/Green LRT	\$23,194	\$24,500	5.63%
Northstar Commuter	6,755	7,000	3.62%
Red Line BRT	1,570	1,625	3.47%
Cedar Express bus	171	175	2.89%
I35W S Express bus	<u>286</u>	<u>353</u>	<u>23.46%</u>
Total	\$31,977	\$33,653	5.24%





# 2016 PoP Phase 1 Projects and Capital Shares

# Adopted 2016 PoP Phase 1

## CTIB Transitways

- Southwest LRT
- Bottineau LRT
- Orange Line BRT
- Gateway BRT
- Riverview as LRT

## Transitway Improvements

- Blue Line vehicles
- Mall of America Station
- Northstar safety – Armstrong & Hanson
- Red Rock BRT

50% Net operating subsidy grants for designated transitways and transitway improvements

# Assumed Funding Shares

<u>Transitway</u>	<u>2015 %</u>	<u>2015 \$</u>	<u>2016 %</u>	<u>2016 \$</u>
Southwest LRT	30%	\$496 M	27.8%	\$517 M
Bottineau LRT	31%	311 M	31.0%	464 M
Orange Line BRT	30%	45 M	19.9%	30 M
Gateway BRT	35%	170 M	35.0%	170 M
Riverview LRT	80%	836 M	31.0%	420 M

# 2016 Grant Solicitations

# Grant-Eligible Capital Projects

Southwest LRT	\$137.9 M
Bottineau LRT	66.0 M
I35W South BRT	<u>12.0 M</u>
Total Transitways	<u>\$215.9 M</u>
Washington Co Guarantee	<u>\$ 1.0 M</u>

# Grant-Eligible Operating Projects

Red Line	\$ 1.6 M
Cedar Ave Express bus	0.2 M
Blue/Green LRT	24.5 M
I-35W South Express bus	0.4 M
Northstar Commuter	<u>7.0 M</u>
Total Transitways	<u><u>\$33.7 M</u></u>

# 2017 Approved Grant Solicitation

Transitways	\$215.9 M
Washington County	1.0 M
Net Operating Subsidy	<u>33.7 M</u>
Total Transitways	<u>\$250.6 M</u>
Recommendation	<u>\$252.0 M</u>



# Questions?