

Business Item

Transportation Committee



Committee Meeting Date: November 25, 2024

For the Metropolitan Council: December 11, 2024

Business Item: 2024-330

METRO Green Line Extension Budget and Schedule

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| District(s), Member(s): | District 3 (Carter), District 6 (Lilligren), District 7 (Osman), District 8 (Cameron) |
| Policy/Legal Reference: | FTA Capital Investment Grants Program |
| Staff Prepared/Presented: | Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy GM Capital Programs, 651-602-1754 Jim Alexander, Project Director, 612-373-3880 Nic Dial, Director of Construction, 612-373-2974 |
| Division/Department: | Metro Transit / METRO Green Line Extension Project |

Proposed Action

That the Metropolitan Council take the following actions related to the METRO Green Line Extension Project:

- Approve the updated Project cost estimate of \$2.86 billion as the Project budget; and
- Acknowledge the revised Project schedule that anticipates revenue service beginning in 2027.

Background

The METRO Green Line Extension Project Office conducted a risk review with the Federal Transit Administration (FTA). The FTA Risk Review was necessary to determine overall cost and schedule impacts due to previous delays to the Civil construction and the follow-on Systems construction and develop an updated budget and schedule for Project completion.

The updated budget and year of revenue service are consistent with values reported previously in September 2023.

Rationale

Approval of the budget and acknowledgment of the schedule is necessary to conclude the FTA Risk Review process.

Thrive Lens Analysis

Successful completion of the METRO Green Line Extension will advance the following Thrive MSP 2040 outcomes:

Stewardship: Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities,

jobs, and other community assets.

Equity: Connections to other METRO lines and countless local bus routes will bring people to jobs, jobs to communities, and returns to communities across the region.

Livability: The METRO Green Line Extension will add 14.5 miles to the existing Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

Prosperity: The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen \$3.1 billion of investment within a half-mile of the line. Another \$738 million in investment is planned.

Sustainability: As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region with choices and more mobility.

Funding

The funding for the increase in project cost includes dollars currently authorized in the capital budget from Hennepin County (\$430.9 M) and other federal funding sources (\$238.8 M) totaling \$669.7 million. An additional \$90 million from Hennepin County will be added in the January 2025 Capital budget amendment. The project will also receive \$50 million of 5307 federal funding in 2025 and 2026 and will include in future capital budget amendments.

The project is included in the Capital Investment Plan.

Small Business Inclusion

The aggregate DBE achievement on the METRO Green Line Extension Project is 21.9%, as of September 30, 2024, and exceeding the aggregate DBE contract goal of 16% as established by the Office of Equity and Equal Opportunity (OEEEO). OEEEO will continue to monitor progress and work with the awarded contractors accordingly with DBE compliance requirements.

