



TRANSBAY JOINT POWERS AUTHORITY

Adam Van de Water • Executive Director

October 25, 2022

The Honorable Alfredo Pedroza, Chair  
Therese McMillan, Executive Director  
Metropolitan Transportation Commission  
375 Beale Street, Suite 800  
San Francisco, CA 94105-2066

**Re: Support for the TJPA Downtown Rail Extension (DTX) Project and Request for Reconsideration of Regional Major Project Advancement Policy (MAP) and TIRCP Endorsement Framework**

Dear Chair Pedroza and Director McMillan:

Thank you for the opportunity to provide comments on the Major Projects Advancement Policy (MAP) and the accompanying Transit and Intercity Rail Capital Program framework as it relates to the funding considerations for the Downtown Rail Extension project, a transformational transportation project that will unite rail connections in the megaregional Bay Area. We appreciate the MTC's continued partnership to ensure the DTX project advances and meets critical technical tasks as required by the two-year Project Development phase of the Federal Transit Administration Capital Investment Grants (FTA CIG) process, which we entered in December 2021.

We appreciate the total TIRCP endorsed amount of \$560M for DTX TIRCP, but the sequencing of those funds does not meet our requirement to demonstrate \$1.5 billion in matching funds to the FTA in August 2023. The \$500 TIRCP base funding will be awarded in two-year increments starting in 2024 and will end in 2030 unless extended by the legislature. This base funding is reliant on both future legislative action and is not within the DTX funding timeline to show commitment of the \$1.5B local match funding by August 2023 to progress in the FTA CIG process.

**Thus, we continue to request that the MTC increase the DTX Augment 1 amount from \$60M to \$160M and add \$200M to Augment 2 funding. This would allow the proposed \$500M base amount for DTX to decrease to \$200M.** The sequence of TIRCP funding as requested above, in combination with our pending Mega application and forthcoming Federal-State Partnership for Intercity Rail grant, will ensure we meet our FTA milestones and deliver billions of dollars in federal infrastructure funds to the Bay Area. Submittal of our Full Funding Grant Agreement request in August 2023 would mean that we can request funding in the Biden-Harris administration in 2024 and start general construction work in late 2025, delivering rail passengers into the basement of the Salesforce Transit Center as soon as 2031.

We appreciate the staff memorandum that speaks of working with us to secure a multi-year commitment of TIRCP funds to ensure we meet the \$1.5 billion local funding match and the stated plan to rebalance endorsements through the MAP and TIRCP as state and federal funding awards are announced this winter. With TIRCP as an important funding source for transportation projects, we are in support of extending the cap-and-trade program beyond the 2030 sunset date.

In addition to the potential loss of billions in federal funding and an additional annual escalation cost of \$300 million every year that DTX is delayed, DTX is worthy of a larger endorsement amount in TIRCP Augment 1 and an endorsement in TIRCP Augment 2 because:

1. **DTX is Environmentally Cleared** – the DTX project has been fully environmentally cleared since 2019 and has received its FTA Record of Decision in 2019.

2. **DTX is Shovel-Worthy** - DTX is 30% designed. It can begin advance work like relocating utilities and strategic right-of-way preservation in Spring 2023 and general civil construction as early as 2025, but is funding dependent.
3. **DTX Completes Two Key USDOT Investments in the Bay Area** – DTX connects Caltrain electrification (a key Level 1 priority project in the MAP scheduled to open for service in 2024) into the two-story trainbox found under the Center, which was a key USDOT investment, made possible by \$400 million in 2010 American Reinvestment and Recovery Act funding. These two projects connect San Francisco and Silicon Valley in a one-seat ride and facilitate planning for Link21, the next Transbay rail crossing.
4. **DTX is Key to the California’s Statewide High-Speed Rail System** – The Center is the northern terminus for the regional integrated transportation system that connects San Francisco to the North Bay, East Bay, and the Peninsula/South Bay. Through the completion of Phase 2, the Center will serve as the northern bookend for California High-Speed Rail, connecting the Bay Area to the Greater Los Angeles region. Additionally, this project is a foundational first step to set the stage for a second Transbay Rail Crossing, now known as Link21, that will at least double rail capacity across the Bay and connect regional rail to important locations throughout the Northern California megaregion.
5. **DTX Fills a Critical Connection Between the Eight-County Megaregion and the State**  
The Center currently connects nine transit systems from eight Bay Area counties. With DTX, Caltrain service and the California statewide systems will allow for access to the Peninsula/South Bay and Southern California, bringing an estimated 90,000 average daily riders into the multimodal hub.
6. **DTX Meets Environmental and Equity Goals** - The project meets all the primary goals of the Biden Administration, which align with California’s goals – reducing harmful emissions by getting people out of automobiles and into electrified train service, increasing mobility and access to job opportunities and community services for disadvantaged communities, creating jobs and strengthening the regional economy.

We look forward to continuing to work together to deliver this transformational DTX project, connecting downtown San Francisco to San Jose and, as the northern terminus of high-speed rail, to the State of California.

Sincerely,



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Adam Van de Water, Executive Director  
Transbay Joint Powers Authority