

Date: November 15, 2023
W.I.: 1255
Referred by: PAC
Revised: 10/23/24-C

ABSTRACT

Resolution No. 4612, Revised

This resolution approves the allocation of Regional Measure 3 funds for Caltrain Downtown Extension (“The Portal”) project, sponsored by the Transbay Joint Powers Authority.

This Resolution includes the following attachments:

- Attachment A – Allocation Summary and Conditions of Allocation
- Attachment B – Project and Subproject Details
- Attachment C – Project Funding Plan and Schedule
- Attachment D – RM3 Deliverable Segment/Product Cash Flow Plan

This resolution allocates \$100.7 million in RM3 funds to the Transbay Joint Powers Authority for the right of way and property acquisition phase of the Caltrain Downtown Extension (“The Portal”) project (RM3 Project #9).

This resolution was revised on October 23, 2024, to update the language under the condition placed on the project (RM3 Project #9) allocation request for the right of way and property acquisition phase to clarify that up to 8 properties will be purchased and that MTC and TJPA shall develop a repayment mechanism in the event of the project not moving forward at a later date. This resolution was also revised to include the RM3 project number for this allocation.

Further discussion of this action is contained in the Programming and Allocations Summary Sheets dated November 8, 2023 and October 9, 2024.

Date: November 15, 2023
W.I.: 1255
Referred by: PAC

RE: Approval of Allocation of Regional Measure 3 Funds for Caltrain Downtown Extension (“The Portal”) Project.

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4612

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on June 5, 2018, a special election was held in the City and County of San Francisco, and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma (individually, each a “County” and, collectively, the “Counties”) to approve a toll increase of three dollars (\$3.00) phased in over time, including a one dollar (\$1.00) toll increase on January 1, 2019, a one dollar (\$1.00) toll increase on January 1, 2022, and a one dollar (\$1.00) toll increase on January 1, 2025, for vehicles traveling on the state-owned bridges located in the San Francisco Bay Area (“Regional Measure 3”); and

WHEREAS, on September 26, 2018, BATA adopted Resolution No. 126 accepting certified statements from the Registrar of Voters of the City and County of San Francisco and each of the Counties and observing that a majority of all voters voting on Regional Measure 3 (“RM3”) at such special election voted affirmatively for RM3; and

WHEREAS, RM3 establishes the RM3 Expenditure Plan and identifies specific capital projects and programs and operating programs eligible to receive RM3 funding as identified in Sections 30914.7(a) and (c) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the RM3 Expenditure Plan by bonding or transfers to MTC; and

WHEREAS, MTC adopted RM3 Policies and Procedures for the implementation of the RM3 Expenditure Plan, specifying the allocation criteria and project compliance requirements for RM3 funding (MTC Resolution No. 4404, revised); and

WHEREAS, the Caltrain Downtown Extension (“The Portal”) Project is identified as capital project number 9 under the RM3 expenditure plan and is eligible to receive RM3 funding as identified in Streets and Highways Code Sections 30914.7(a); and

WHEREAS, the Transbay Joint Powers Authority (TJPA) has been designated as the agency to build the Caltrain Downtown Extension (“The Portal”) Project; and

WHEREAS, TJPA has submitted a request for the allocation of RM3 funds for the Caltrain Downtown Extension (“The Portal”) Project; and

WHEREAS, TJPA has submitted an initial Project Report (IPR), as required pursuant to Streets and Highways Code Section 30914.7(d); and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the project and phase for which the TJPA is requesting RM3 funding and the amount recommended for allocation by MTC staff; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, lists the required project specific conditions which must be met prior to execution of the allocation and any reimbursement of RM3 funds; and

WHEREAS, Attachment C to this resolution, attached hereto and incorporated herein as though set forth at length, includes MTC staff’s review of TJPA’s IPR for this project; and

WHEREAS, Attachment D attached hereto and incorporated herein as though set forth at length, lists the cash flow of RM3 funds and complementary funding for the deliverable RM3 project segment or product; and

WHEREAS, the claimants to which funds are allocated under this resolution have certified that the projects and purposes listed and recorded in Attachment A are in compliance

with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.); now, therefore, be it

RESOLVED, that MTC approves MTC staff's review of TJPA's IPR for this project as set forth in Attachment C; and, be it further

RESOLVED, that MTC approves the allocation and reimbursement of RM3 funds in accordance with the amount, reimbursement schedule, and allocation expiration dates for the phases and activities as set forth in Attachment A; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon TJPA complying with the provisions of the RM3 Policies and Procedures as set forth at length in MTC Resolution No. 4404, Revised; and, be it further

RESOLVED, that the allocation and reimbursement of RM3 funds are further conditioned upon the project specific conditions set forth in attachment B; and, be it further

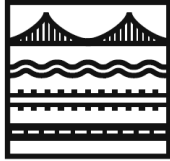
RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon the availability and expenditure of any complementary funding as set forth in Attachment D; and, be it further

RESOLVED, that a certified copy of this resolution shall be forwarded to the project sponsor.

METROPOLITAN TRANSPORTATION COMMISSION

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on November 15, 2023.



Regional Measure 3

Allocation of Funds

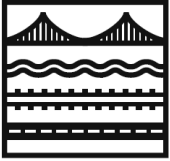
Allocation Summary

RM3 Project Number	9
Project Title	Caltrain Downtown Extension ("The Portal")
Project Sponsor	Transbay Joint Powers Authority

Activities to be funded with Allocation #1:					
This allocation will fund the acquisition of up to eight properties plus relocation of displacees from those properties. Property addresses are: 181 2nd Street, 165-171 2nd Street, 191 2nd Street, 580 Howard, 217 2nd Street, 205-215 2nd Street, 201 2nd Street and 689-699 3rd Street.					
Funding Information:					
Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
24461201	15-Nov-23	ROW	FY 2023-24	30-Jun-25	\$ 100,700,000

Cumulative Total - Allocation 1	\$ 100,700,000
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Cumulative Total - Project 9	\$ 100,700,000
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Regional Measure 3

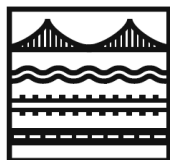
Allocation of Funds

Conditions of Allocation

RM3 Project Number	9
Project Title	Caltrain Downtown Extension ("The Portal")
Project Sponsor	Transbay Joint Powers Authority

The allocation and reimbursement of RM3 funds for the above project are conditioned upon the following:

Conditions of Allocation #1	
This allocation is contingent upon completion of the following:	
1	<p>An Agreement between MTC and TJPB on the mechanism to ensure the return of RM3 funds used to purchase property for the Project in the event that the Project does not proceed to construction and/or the property in question is not used for the Project.</p> <p>The Agreement shall include the following language (<i>bold text revised and strikethrough added 10/23/24</i>) :</p> <p>"For the project above, the Transbay Joint Powers Authority submitted an Initial Project Report stating that Project Design would be completed by 2025 and Project Construction would begin in 2025. If Project Design is not completed by December 31, 2028, then the Transbay Joint Powers Authority shall notify the Commission of the status of the project and revised dates for completion of Project Design and start date of Project Construction. If Project Construction does not begin by December 31, 2028 or the project is abandoned prior to such date, then TJPB shall compensate MTC for RM3 funds provided to TJPB under this allocation, unless this Agreement is amended to revise these milestone dates. If one or more properties purchased with RM3 funds is not used for the Project, then TJPB shall likewise compensate MTC for RM3 funds provided to TJPB for those properties. In the event that any of these obligations are triggered, MTC and TJPB shall establish a mutually agreed upon method to compensate MTC for the RM3 funds, which may include but shall not be limited to repayment from TJPB to MTC of the funds or a quit claim deed on one or more of the properties acquired with RM3 funds.</p> <p>This repayment or quit claim obligation shall be satisfied no later than ninety (90) days after the triggering event. Any modifications to this Agreement must be in writing and approved by the respective boards or their delegates. A restrictive covenant shall be recorded against the parcels purchased using RM3 funds restricting their uses to the project purposes. That covenant will be removed upon the earlier of the project's completion or satisfaction of the repayment or quit claim obligation as described in this paragraph."</p>
2	<p>Approval of the Initial Project Report and Allocation Request by the TJPB Board of Directors. <i>Note: TJPB Board of Directors Approved Resolution 23-055 on November 9, 2023.</i></p>



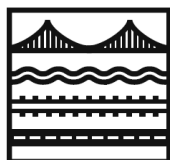
Regional Measure 3

Allocation of Funds

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IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	9	
Project Title	Caltrain Downtown Extension (“The Portal”)	
Lead Sponsor(s)	Other Sponsor(s)	Implementing Agency
Transbay Joint Powers Authority		TJPA
Legislated Project Description		RM3 Legislated Funding (in \$1,000s)
(9) Caltrain Downtown Extension. Extend Caltrain from its current terminus at Fourth Street and King Street to the Transbay Transit Center. The Metropolitan Transportation Commission shall allocate funding to the agency designated to build the project, which shall be the project sponsor. Three hundred twenty-five million dollars (\$325,000,000)		\$325,000
Sponsor Programming and Allocation Request Action		
The TJPA Board of Directors will review this allocation resolution for approval at its meeting on November 9, 2023.		
Detailed Project/Subproject Description		
The Caltrain Downtown Extension (“The Portal”) will connect Caltrain’s regional rail system and the California High-Speed Rail Authority’s statewide system to the Transit Center in downtown San Francisco. The rail alignment will be constructed principally below grade to provide a critical link for Peninsula commuters and travelers on the state’s future high-speed rail system. The project is being developed by the TJPA, in collaboration with the Project’s major stakeholders: Metropolitan Transportation Commission, San Francisco County Transportation Authority (SFCTA), Caltrain, California High-Speed Rail Authority, City and County of San Francisco, and California Department of Transportation.		



Regional Measure 3

Allocation of Funds

IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

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RM3 Project Number	9
Project Title	Caltrain Downtown Extension ("The Portal")
Project Sponsor	Transbay Joint Powers Authority

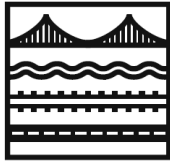
Project Funding Plan

Project Schedule

Phase	Funding Source	Committed? (Yes/No)	Total Amount (\$1,000s)	Start	End
ENV	TBD			1997	2023
PSE	Transbay CFD Bonds, Pay-Go, Impact Fees	Yes	\$ 158,659	2023	2025
	Net Tax Increment & Bond Proceeds	Yes	\$ 77,623		
	SF Prop K & Prop L Sales Tax	Yes	\$ 86,545		
	Caltrain Contributions	Yes	\$ 3,000		
	CA HSR Contribution	No	\$ 3,000		
	CRISI (2022)	No	\$ 11,485		
	TIRCP	Yes	\$ 60,000		
	Federal State Partnership	No	\$ 97,339		
	FTA New Starts	Yes	\$ 86,312		
			\$ 583,963		
ROW	RM-3	Yes	\$ 200,000	2019	2025
	Parcel F	Yes	\$ 21,000		
	Transbay CFD Bonds, Pay-Go, Impact Fees	Yes	\$ 18,641		
	Net Tax Increment Bond Proceeds	Yes	\$ 87,000		
	SF Prop L Sales Tax	Yes	\$ 25,000		
			\$ 351,641		

CON	RM 3	Yes	\$ 125,000	2025	2032
	SF Prop L Sales Tax	Yes	\$ 210,000		
	Parcel F	Yes	\$ 41,000		
	Transbay CFD Bonds, Pay-Go, Impact Fees	Yes	\$ 193,100		
	Net Tax Increment & Bond Proceeds	Yes	\$ 60,177		
	Land Sales	Yes	\$ 6,000		
	Central SOMA CFD	No	\$ 155,000		
	RTIP / Prop L Fund Exchange	No	\$ 17,847		
	CA HSR Contribution	No	\$ 550,000		
	TIRCP	No	\$ 500,000		
	CRISI (2022)	No	\$ 18,395		
	FTA New Starts	No	\$ 3,991,544		
	Federal FSP/Mega/Other	No	\$ 722,600		
	Federal ARRA & Local Match*	Yes	\$ 728,519		
			\$ 7,319,182		
Capital Funding Total			\$ 8,254,786		

*Represents cost of already-completed train box, included in RM3 funding plan to match proposed New Starts funding plan.



Regional Measure 3

Allocation of Funds

Cash Flow Plan

RM3 Project Number	9
Project Title	Caltrain Downtown Extension ("The Portal")
Project Sponsor	Transbay Joint Powers Authority

Cash Flow Plan for RM3 Deliverable Segment(s) - Funding by planned year of expenditure

Funding Source	Phase	Prior	2022-23	2023-24	2024-25	2025-26	Future committed	Total Amount (\$ thousands)
								\$ -
								\$ -
								\$ -
ENV Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
								\$ -
PSE Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM-3	ROW			\$ 50,900	\$ 49,800			\$ 100,700
Transbay CFD Bonds, Pay-Go, Impact Fees	ROW	\$ 505		\$ 890				\$ 1,395
								\$ -
ROW Subtotal		\$ 505	\$ -	\$ 51,790	\$ 49,800	\$ -	\$ -	\$ 102,095
								\$ -
								\$ -
CON Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM 3 Funding Subtotal		\$ -	\$ -	\$ 50,900	\$ 49,800	\$ -	\$ -	\$ 100,700
Capital Funding Total		\$ 505	\$ -	\$ 51,790	\$ 49,800	\$ -	\$ -	\$ 102,095