

# Downtown Rail Extension / The Portal

MTC Programming and Allocations Committee

April 12, 2023



# Phase 1 - \$2.25B Transit Center Complete



*Multimodal six story facility in downtown San Francisco with two-story train box completed predominantly with local/state funding plus \$350M in bridge tolls and \$400M in American Reinvestment & Recovery Act funding.*

# The Portal: Key Regional Rail Connection



- World-class multimodal transportation hub
- Closes the gap to downtown San Francisco, enabling the Salesforce Transit Center's full potential and connecting 4,000 new Transbay units @ 35% affordable
- Creates an essential mega-region link b/w several federal investments (train box, Caltrain electrification, HSR), and connects conventional-gauge through downtown for future Link21
- Improves sustainability and environmental quality
- A SAFETEA-LU Project of National and Regional Significance, long-standing regional New Starts priority, and regional priority since 1990

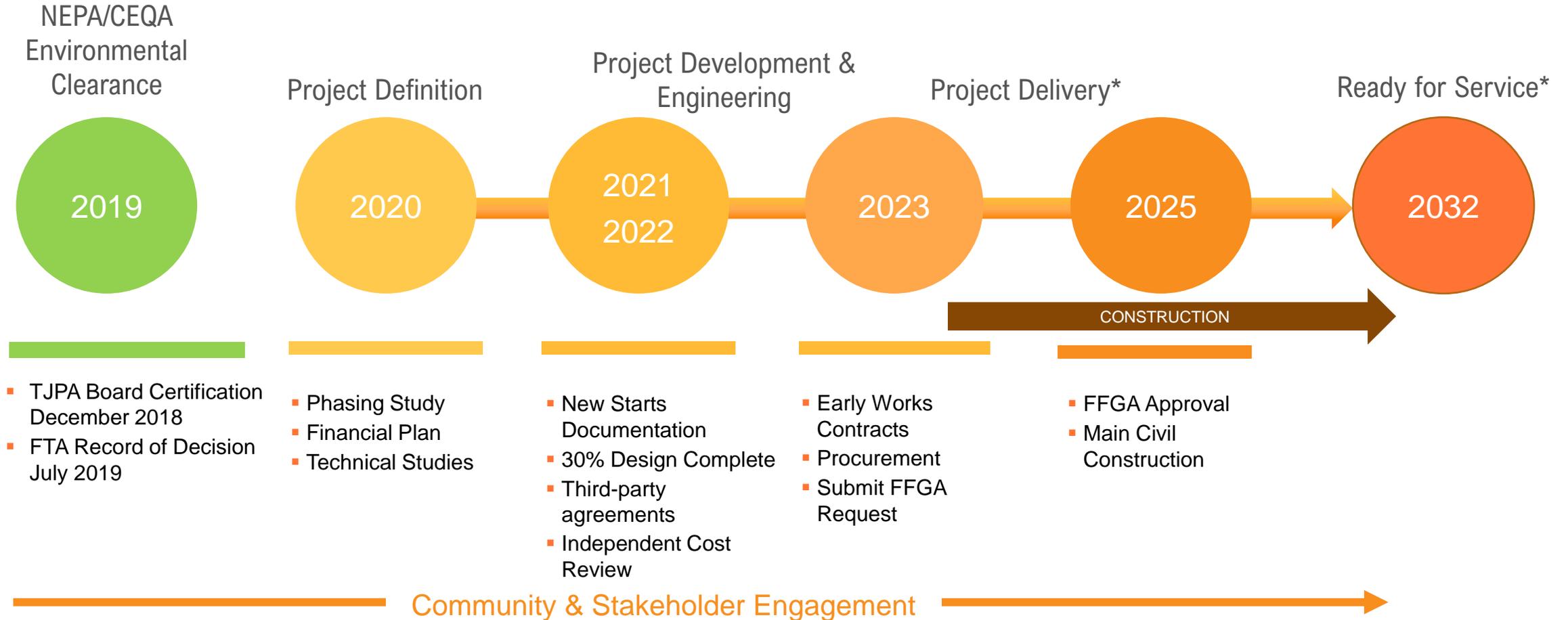
# Benefits of The Portal

## ENVIRONMENT ▪ ECONOMY ▪ EQUITY

- Enhanced access for 90,000 daily riders with one-seat ride between SF, San Jose, and LA
- Expands system when ridership forecast to grow above pre-pandemic levels
- Builds two new rail stations in area with highest expected population growth and within ½ mile of 10 Equity Priority Communities and/or Areas of Persistent Poverty
- Connects 11 transit providers – Caltrain, future High-Speed Rail, BART, Muni, and buses serving 8 Bay Area Counties – and promotes seamless transfers in the Transit Center
- Improves air quality and reduces 355M VMT/yr on US 101, one of the most congested corridors in the Bay Area
- Creates an estimated 21,000 jobs regionally, 41,000 nationwide



# Project Schedule



# Key Cost Estimate Assumptions

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- Schedule – assumes executed FFGA and start of tunneling in 2025
- Escalation – 6% for 2023, 3.5% thereafter
- Risk – based on SF Peninsula Rail Program Integrated Program Management Team Quarterly Risk register scoring
- Design and Construction Contingency – budgeted contingency dollars to a P65 level of confidence for completing on budget, per FTA OP40
- Program Reserve – 8% of total program costs (excluding program reserve)
- Program-wide Costs – 22.5% of escalated measured construction, design and construction contingency total
- Estimated cost is exclusive of project financing, maintenance of way vehicles, level boarding vehicle retrofits, or additional rolling stock to increase peak hour capacity

# DTX Cost Estimate

- All estimates presented in anticipated Year of Expenditure
- 34.7% overall project contingency included
- Subject to change after FTA review this summer
- Baseline budget to be adopted by TJPA Board in Fall 2023

Category	Estimate (\$m)
Utility Relocation	\$34
Demolition	\$8
Civil / Tunnel	\$2,336
Station Fit Out	\$698
Systems & Trackwork	\$526
Allowances	\$114
<b>Subtotal Construction</b>	<b>\$3,716</b>
ROW acquisition	\$340
Program-wide	\$904
Design Contingency	\$856
Construction Contingency	\$370
Program Reserve	\$494
<b>Subtotal</b>	<b>\$2,964</b>
<b>TOTAL</b>	<b>\$6,680</b>

# Program Funding

Funding Source	Status	Estimate (millions of YOES)
<b>Federal</b>		
FTA Capital Investment Grant (~49.4%)	Planned	\$3,452
Other Federal Programs	Planned	\$780
<b>State</b>		
Regional Transportation Improvement Program	Planned	\$18
State Transit Intercity Rail Capital Program (TIRCP)	Planned	\$560
CA High Speed Rail Authority for PD/Engineering	Planned	\$3
CA High-Speed Rail (State Funds and/or CHSRA TBD)	Planned	\$550
<b>Local &amp; Private Funds</b>		
MTC Regional Measure 3 – Bridge Tolls	Committed	\$325
SFCTA Sales Tax (Propositions K and L)	Committed	\$319
Caltrain Contribution for Engineering	Committed /Budgeted	\$3
Transbay Redevelopment District – Property Tax Increment	Committed	\$218
Transbay Redevelopment District – Private Contributions	Committed /Budgeted	\$68
Transbay Transit Center District – CFD Special Tax & Impact fees	Committed /Budgeted	\$537
Central SOMA District – CFD Special Tax & Impact fees	Planned	\$155
<b>Total Committed/Budgeted/Planned</b>		<b>\$6,680+</b>

# FTA CIG Funding Milestone Sources

Funding Milestone	Primary Sources	Secondary Sources
 <ul style="list-style-type: none"> <li>Feb 2023 Milestone 1: \$1.1B or 30% of Non-CIG funding committed to submit Request to Enter Engineering</li> </ul>	<ul style="list-style-type: none"> <li>Transit Center District Sources (\$443M)</li> <li>Regional Measure 3 Bridge Tolls (\$325M)</li> <li>San Francisco Countywide Transportation Sales Tax (\$319M)</li> </ul>	<ul style="list-style-type: none"> <li>Impact Fees (\$34M)</li> <li>Partner Agency Contributions to Engineering Phase (\$6M)</li> </ul>
<ul style="list-style-type: none"> <li>Aug 2023 Milestone 2: Additional sources for \$1.7B or 50% of Non-CIG funding to request FFGA</li> </ul>	<ul style="list-style-type: none"> <li>Additional Planned Transit Center District Sources (\$620M)</li> <li>State TIRCP Funds (\$60M+)</li> <li>Remaining Land Sales (\$6M)</li> </ul>	<ul style="list-style-type: none"> <li>Other Federal (Non-CIG)</li> </ul>
<ul style="list-style-type: none"> <li>Spring 2025 Milestone 3: Sign FTA Agreement and demonstrate 100% of local matching funds</li> </ul>	<ul style="list-style-type: none"> <li>State TIRCP Funds (\$500M)</li> <li>State/High-Speed Rail Capital Contribution (\$550M)</li> <li>Regional Transportation Improvement Program (\$18)</li> </ul>	<ul style="list-style-type: none"> <li>Federal-State Partnership for Intercity Rail (\$400M)</li> <li>Central SoMa Impact Fees (\$50M)</li> </ul>

# Preliminary DTX Incremental O&M Cost

- Incremental revenues forecasted to cover incremental operating costs upon project maturation

<b>Cost Element</b>	<b>Cost (2023\$s) M</b>
Traincrews, Supervisors, Expenses, Operations and Dispatch Management, Administration, Safety, Finance, Timetables and Tickets, and Security	\$6.9
Rolling Stock (Diesel and EMU) Maintenance, Fuel, Lubricants, and Utilities	\$5.5
Stations, Track, OCS/TPS, Equipment Maintenance, and Spare Parts	\$23.4
Insurance, Claims, Payments, and Reserves	\$1.2
Wages and Benefits	\$2.3
Professional Services	\$0.04
Other Office Expenses and Services	\$0.3
<b>TOTAL</b>	<b>\$40.0</b>

# DTX Incremental O&M Funding Approach

- The 20-year financial plan includes known operating funding sources. The following potential funding sources will be evaluated to cover any forecasted shortfalls:

Category	Sources
Known Sources	<ul style="list-style-type: none"><li>■ Incremental Fare Revenue</li><li>■ Incremental Facility Revenues, including Naming Rights</li></ul>
Potential Additional Sources	<p>Multiple potential sources, including:</p> <ul style="list-style-type: none"><li>■ Transit Center fare surcharge</li><li>■ Future local, sub-regional, or regional O&amp;M funding measure(s)</li><li>■ Additional commercial revenues</li><li>■ Future joint development revenue</li><li>■ Developer contributions / Transportation Demand Management (TDM) programs</li><li>■ Other future TBD</li></ul>



# Questions?

**TJPA**  
TRANSBAY JOINT POWERS AUTHORITY

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