

Date: October 25, 2023
W.I.: 1255
Referred by: PAC
Revised: 7/24/24-C

ABSTRACT

Resolution No. 4608, Revised

This resolution approves the allocation of Regional Measure 3 funds for San Jose Diridon Station project, sponsored by the Santa Clara Valley Transportation 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 \$30 million in RM3 funds to the Santa Clara Valley Transportation Authority (VTA) for the right of way and property acquisition phase of the San Jose Diridon Station project (RM3 Project #16).

This resolution was revised on July 24, 2024, to rescind \$6 million in RM3 funds to VTA from the right of way and property acquisition phase of the San Jose Diridon Station project (RM3 Project #16), to note satisfaction of the condition placed on that allocation, and to allocate \$6.3 million in RM3 funds to VTA for the Project Approval & Environmental Document (PA&ED) phase of the San Jose Diridon Station project (RM3 Project #16). 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 Sheet dated October 11, 2023, and July 10, 2024.

Date: October 25, 2023
W.I.: 1255
Referred by: PAC

RE: Approval of Allocation of Regional Measure 3 Funds for San Jose Diridon Station Project.

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4608

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

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MTC Resolution No. 4608

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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); and

WHEREAS, the San Jose Diridon Station Project is identified as capital project number 16 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 Santa Clara Valley Transportation Authority (VTA) is the project sponsor for the San Jose Diridon Station Project; and

WHEREAS, VTA has submitted a request for the allocation of RM3 funds for the San Jose Diridon Station Project; and

WHEREAS, VTA 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 VTA 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 VTA'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, this allocation is conditioned on satisfaction of the requirement that appropriate determinations under CEQA/NEPA have been made by the lead agency for

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MTC Resolution No. 4608

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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.) prior to disbursement of RM3 funds for the projects and purposes listed and recorded in Attachment A; now, therefore, be it

RESOLVED, that MTC approves MTC staff's review of VTA'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 VTA 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

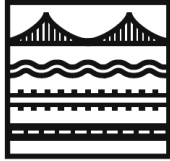
RESOLVED, that the allocation and reimbursement of RM3 funds as set forth in Attachment A are conditioned upon the availability and expenditure of any complementary funding as set forth in Attachment D; and, be it further

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

METROPOLITAN TRANSPORTATION COMMISSION

Nick Josefowitz, Vice 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 October 25, 2023.



Regional Measure 3 Allocation of Funds Allocation Summary

RM3 Project Number	16
Project Title	San Jose Diridon Station
Project Sponsor	Santa Clara Valley Transportation Authority

Activities to be funded with Allocation #1:					
This allocation will fund planning and early property acquisition for the San Jose Diridon Station Project in Santa Clara County. LONP approved for the PS&E and right-of-way phases for \$30,000,000 on November 16, 2022. <i>7/24/24: Savings from Right of Way purchase rescinded</i>					
Funding Information:					
Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
24460801	25-Oct-23	ROW	FY 2023-24	30-Jun-26	\$ 30,000,000
24460801	24-Jul-24	ROW	FY 2023-24	30-Jun-26	\$ (6,181,474)

Cumulative Total - Allocation 1	\$ 23,818,526
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Activities to be funded with Allocation #2:					
The scope will include engineering, outreach, and project management services needed to begin the environmental clearance process.					
Funding Information:					
Allocation Instruction No.	Approval Date	Phase	Reimbursement Year	Expiration Date	Allocation Amount
25460802	24-Jul-24	PA/ED	FY 2024-25	30-Jun-25	\$ 6,300,000

Cumulative Total - Allocation 2	\$ 6,300,000
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Cumulative Total - Project 16	\$ 30,118,526
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Regional Measure 3

Allocation of Funds

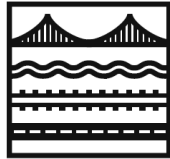
Conditions of Allocation

RM3 Project Number	16
Project Title	San Jose Diridon Station
Project Sponsor	Santa Clara Valley Transportation Authority

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

Conditions of Allocation #1	
1	<p>This allocation is contingent upon completion of the following:</p> <p>Agreement between MTC and VTA 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: "For the project above, the Santa Clara Valley Transportation Authority submitted an Initial Project Report stating that Project Design would be completed by 2026 and Project Construction would begin in 2028. If Project Design is not completed by December 31, 2028, then the Santa Clara Valley Transportation 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, 2030 or the project is abandoned prior to such date, then the Santa Clara Valley Transportation Authority shall repay any Regional Measure 3 funds to the Commission inclusive of interest equal to the change in the Consumer Price Index for the San Francisco Bay Area from the date of MTC funding until the date of repayment, unless this agreement is amended to revise these milestone dates. Such repayment shall be made from any/all generally available funds of the Santa Clara Valley Transportation Authority and shall be made no later than one year after the abandonment of the Project or the earlier specified date of December 31, 2030 or such later date as may be agreed upon mutually by the parties. Any modifications must be in writing and approved by the respective boards or their delegates. A restrictive covenant shall be recorded against the parcel purchased using RM3 funds restricting its use to the project purposes. That covenant will be removed upon the earlier of the project's completion or repayment of RM3 advances as described in this paragraph."</p> <p><i>Note 7/24/2024: This condition was satisfied via the execution of Amendment No. 1 to the Master Funding Agreement between MTC and VTA for Planning, Programming, Transportation, Transit, Land Use or Other Projects, and Supplement No. 9 to the Master Funding Agreement.</i></p>

Conditions of Allocation #2	
1	None.

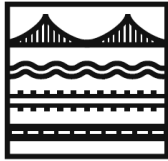


Regional Measure 3

Allocation of Funds

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

RM3 Project Number	16	
Project Title	San Jose Diridon Station	
Lead Sponsor(s)	Other Sponsor(s)	Implementing Agency
Santa Clara Valley Transportation Authority		VTA
Legislated Project Description	RM3 Legislated Funding (in \$1,000s)	
(16) San Jose Diridon Station. Redesign, rebuild, and expand Diridon Station to more efficiently and effectively accommodate existing regional rail services, future BART and high-speed rail service, and Santa Clara Valley Transportation Authority light rail and buses. The project sponsor shall consider accommodating a future connection to Norman Y. Mineta San Jose International Airport and prioritizing non-auto access modes. The project sponsor is the Santa Clara Valley Transportation Authority. ☐ ☐	\$100,000	
Sponsor Programming and Allocation Request Action		
The VTA Commission adopted a resolution for the first RM3 allocation request at its meeting on June 1, 2023. The VTA Commission adopted a resolution for the second RM3 allocation request at its meeting on June 6, 2024.		
Detailed Project/Subproject Description		
The San Jose Diridon project will redesign, rebuild, and expand the existing Diridon Station. The redesigned station will more effectively accommodate existing regional rail services, future BART and California High-Speed Rail service, and VTA Light Rail and bus services. Santa Clara Valley Transportation Authority (VTA) is requesting \$30M to fund planning and early property acquisition for the San Jose Diridon Station Project.		



Regional Measure 3

Allocation of Funds

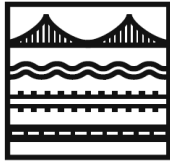
IPR Review (Project and Subproject Details, Funding Plan, and Schedule)

RM3 Project Number	16
Project Title	San Jose Diridon Station
Project Sponsor	Santa Clara Valley Transportation Authority

Project Funding Plan

Project Schedule

Phase	Funding Source	Committed? (Yes/No)	Total Amount (\$1,000s)	Start	End
PA/ED	RM-3	Yes	\$ 6,300	1-Jul-24	30-Jun-28
	VTA Measure B	Yes	\$ 1,000		
	City of San Jose Local Funds	Yes	\$ 500		
			\$ 7,800		
ENV	TBD		TBD	TBD	TBD
			\$ -		
PSE	TBD		TBD		
ROW	RM-3	Yes	\$ 23,818	25-Oct-23	TBD
	TBD				
			TBD		
CON	TBD		TBD		
Capital Funding Total			TBD		



Regional Measure 3 Allocation of Funds Cash Flow Plan

RM3 Project Number	16
Project Title	San Jose Diridon Station
Project Sponsor	Santa Clara Valley Transportation Authority

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

Funding Source	Phase	Prior	2023-24	2024-25	2025-26	2026-27	Future committed	Total Amount (\$ thousands)
RM-3	PA/ED			\$ 6,300				\$ 6,300
Measure B	PA/ED		\$ 800	\$ 200				\$ 1,000
City of San Jose	PA/ED		\$ 500					\$ 500
PA/ED Subtotal			\$ 1,300	\$ 6,500	\$ -	\$ -	\$ -	\$ 7,800
								\$ -
								\$ -
								\$ -
ENV Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
PSE Subtotal			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM-3	ROW		\$ 23,818					\$ 23,818
								\$ -
								\$ -
ROW Subtotal			\$ 23,818	\$ -	\$ -	\$ -	\$ -	\$ 23,818
								\$ -
								\$ -
CON Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM 3 Funding Subtotal		\$ -	\$ 23,818	\$ 6,300	\$ -	\$ -	\$ -	\$ 30,118
Capital Funding Total		\$ -	\$ 25,118	\$ 6,500	\$ -	\$ -	\$ -	\$ 31,618