



October 1, 2024

Andy Fremier
Executive Director
Bay Area Metro Center
375 Beale St., Suite 800
San Francisco, CA 94105-2066

RE: BART Silicon Valley Extension Phase 2 Project (BSV2)

Dear Andy,

I'd like to request that the Metropolitan Transportation Commission consider submitting the BART Silicon Valley Extension Phase 2 project (BSV2) to the California Transportation Commission (CTC) for consideration in the Cycle 4 Solutions for Congested Corridors Program (SCCP) in November. Our request would be for \$75 million. We would also like to ask the Commission's support for VTA's application for an additional \$25 million from the competitive Local Partnership Program (LPP-C).

MTC is a strong and generous project advocate. The Commission has given BSV2 \$375 million in RM3 funding and another \$375 million from SB125. The Commission has successfully supported VTA and BSV2 with the State and Federal Government in the highly competitive TIRCP and New Starts Programs. As result, FTA has offered \$5.1 billion in New Starts funding for the project; the largest grant west of the Mississippi River.

Unfortunately, project costs have increased from when VTA last presented to the Commission in early 2023. After working through FTA's risk review process, the current cost estimate is \$12.7 billion. Of that total, VTA requested \$6.2 billion of FTA funds to complete the funding package. FTA's \$5.1 billion grant leaves the project underfunded by \$1.2 billion. In response, the VTA Board has authorized the use of the remaining unallocated balance of VTA's 2000 Measure A for the project – approximately \$500 million. This reduces the funding gap to \$700 million.

VTA is pursuing a two-part strategy to fill this gap. First, VTA is re-evaluating the project for potential cost reductions. Second, VTA is seeking additional grant funding. To that end, VTA would like to request that MTC nominate this project for \$75 million in the upcoming SB1 Solutions for Congested Corridors round and support VTA's LPP-C application for \$25 million.

Completing this project will finally provide a one-set rail ride between the downtown cores of the Bay Area's three largest cities. We've come this close with the Commission's support. I hope the Commission can continue to help us address this latest challenge.

Sincerely,

A handwritten signature in blue ink that reads 'Greg Richardson'.

Greg Richardson
Assistant General Manager/CFO