

# T Transportation Committee

Meeting date: August 8, 2011

Metropolitan Council Meeting date: August 24, 2010

## ADVISORY INFORMATION

**Date:** August 3, 2011

**Subject:** 2012 Capital and Operating Grant Applications to Counties Transit Improvement Board (CTIB)

**District(s), Member(s):** All

**Policy/Legal Reference:** Metropolitan Council Policy 3-2-2; 2008 MN Session Laws, Chapter 152, Article 4, Sec. 2, Subd. 5; and 2011 MN Session Laws, 1<sup>st</sup> Special Session, Chapter 3, Article 2, Sec. 2, Subd. 5

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**Division/Department:** Metro Transit and Metropolitan Transportation Services

## Proposed Action

That the Metropolitan Council authorize the Regional Administrator to apply for 2012 grants from the Counties Transit Improvement Board (CTIB) for the following projects:

### Capital

1. Southwest LRT Capital for Preliminary Engineering (PE) / Final Environmental Impact Analysis (FEIS): Est. \$16.9 million
2. Central Corridor LRT Right of Way Acquisition, Light Rail Vehicles and Construction: Est. \$97.9 million

### Operating

1. Hiawatha Light Rail Operations: Est. \$12.5 million
2. Northstar Commuter Rail Operations: Est. \$8.8 million
3. I-35W BRT Lakeville Express Service: Est. \$170,000
4. Cedar Avenue BRT Express Service: Est. \$460,000
5. Cedar Avenue BRT Station-to-Station Service: Est. \$280,000

## Background

CTIB was created in 2008 by enabling state legislation and the concurrence of five counties in the region (Anoka, Dakota, Hennepin, Ramsey, and Washington). Its purpose is to provide a dedicated source for capital and operating funds for transitway projects serving the five participating counties. CTIB first awarded grants in 2009 and will work with its Grant Evaluation and Ranking System Committee (GEARS) to evaluate grants and make funding recommendations. The applications for the current grant round were released on June 30, 2011 and are due September 9, 2011.

Council action is a prerequisite for all grant applications in excess of \$250,000 or for applications that staff deem appropriate to bring before the Council.

## **Rationale**

CTIB capital grant funds will contribute to capital projects identified in the Metropolitan Council's Transportation Policy Plan and assist in reaching the regional goal of doubling transit ridership by 2030. CTIB grant funds for operations will allow the Council to take advantage of this funding source and reduce the need to secure operating funds from other funding sources. In addition, state law limits state contributions to rail operations to 50 percent of the net subsidy with the assumption that CTIB funds will be used to pay the remaining 50 percent of the net subsidy. In fiscal years 2012 and 2013, state law requires CTIB to fund at least 75 percent of the operating costs of any transitway which was operating with CTIB funding as of June 30, 2011.

## **Funding**

The seven funding requests listed above total an estimated \$137 million, with \$114.8 million requested for capital and \$22.2 million requested for operating. All of the operating grants represent service operations for the entire calendar year with one exception. The Cedar Avenue BRT station-to-station service is for only two months as November is the earliest that service will start up.

The listed grant amounts are estimates and will be finalized prior to the September 9 application deadline. CTIB requires that capital projects maximize the use and availability of federal funds and have a 10 percent non-federal contribution from the state or Metropolitan Council.

## **Known Support / Opposition**

No known opposition.