

Counties Transit Improvement Board Annual Legislative Report 2012

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it's about time

mnrider.org

COUNTIES *Transit* Improvement BOARD

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EXECUTIVE SUMMARY

The Counties Transit Improvement Board (“CTIB”) respectfully submits its Annual Legislative Report summarizing significant accomplishments during 2012. As required by Minn. Statutes Section 297A.992, Subd. 11, this Report will address the revenues received from the quarter-cent sales tax and \$20 motor vehicle excise tax and the grants awarded by CTIB in 2012.

CTIB SUPPORTED TRANSITWAY PROJECTS - \$494 MILLION INVESTMENT

CTIB’s goal is to accelerate transit development in the five counties of Anoka, Dakota, Hennepin, Ramsey and Washington by funding transitway engineering, construction and operations for light rail transit (LRT), bus rapid transit (BRT), and commuter rail projects. Through grants awarded in 2008 through 2012, CTIB has awarded nearly half a billion dollars to eleven projects:

- Bottineau LRT: Hennepin
- Cedar Avenue BRT: Dakota
- Central Corridor LRT: Hennepin and Ramsey
- Gateway Corridor: Ramsey and Washington
- I-35W South BRT: Dakota and Hennepin
- Hiawatha LRT: Hennepin
- Northstar Commuter Rail: Anoka and Hennepin
- Newport Transit Center: Washington
- Red Rock Corridor: Ramsey and Washington
- Rush Line Corridor: Ramsey and Washington
- Southwest Corridor LRT: Hennepin

Capital: \$366.76 million

Operating: \$115.64 million

Washington: \$11.77 million

In November 2010, CTIB authorized the issuance of its first bond sale for the amount of \$110 million. The bond note was issued through Hennepin County at a savings of \$3 million to CTIB. This bond sale allowed CTIB to complete its funding commitment of providing 30% of Central Corridor LRT capital costs (\$294 million).

TOTAL INVESTMENT AMOUNT LEVERAGED BY CTIB GRANTS - \$1.37 BILLION

Since 2008, CTIB grants have generated a total investment of \$1.37 billion from federal, state, regional and local funding sources. CTIB grants require that projects be supported by matching funds from federal, state or local sources, increasing the impact of the transit sales tax. This amount does not include the substantial investments made by local governments during preliminary project development phases, before a project is eligible for grants from CTIB.

LOCAL PROPERTY TAX RELIEF - \$70 MILLION

CTIB assumed the responsibility of the county regional railroad authorities to provide the 50% local share of transitway operating costs. Prior to the formation of CTIB, these costs had been paid with property tax dollars. Through operating grants awarded 2008 – 2012, CTIB has provided \$69.77 million in property tax relief.

CTIB FUNDING COMMITMENTS FAST-TRACK TRANSIT DEVELOPMENT

CTIB’s funding commitments demonstrate to the Federal Transit Administration (FTA) that the region is capable of meeting local matching funding requirements and boost the rating of projects in the national competition for federal New Starts funding. CTIB provides a significant portion of funding to cash-flow projects during the engineering phase and early construction.

This funding allows projects to stay on schedule and minimizes the logistical and financial impacts from the uncertain timing of federal funding.

TABLE OF CONTENTS

1.0	Introduction	1
2.0	Authority: Legislation and Joint Powers Agreement	6
3.0	Organizational Structure: Board and Committees	7
4.0	Transit Investment Framework: Vision and Policies	9
5.0	Revenues	10
6.0	Funding Commitments	12
7.0	History of Grant Awards, 2008 - 2012	15
8.0	Results from 2012 Grant Projects	16
9.0	Upcoming 2013 Grant Projects	32
10.0	Conclusion	34

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1.0 INTRODUCTION

A thriving and economically competitive metropolitan region needs transit. The Counties Transit Improvement Board (“CTIB”) is committed to accelerating transit development in Anoka, Dakota, Hennepin, Ramsey and Washington counties by investing the proceeds of a one-quarter percent sales tax and a \$20 motor vehicle excise tax in regional transitway projects. This revenue provides a reliable, long-term source of transit funding for capital development and operations that reduces reliance on property tax dollars.

CTIB is a joint powers board whose members work collaboratively to address transit needs with a regional perspective. Investing in the growth of a regional transit system provides transportation choices that get people where they need to go—home, jobs and school.

Legislative Directives to the Counties Transit Improvement Board

In 2008, the Minnesota Legislature enacted legislation that authorized metropolitan area counties to impose a quarter-cent sales tax and a \$20 motor vehicle excise tax for the purpose of funding transitway improvements (“Transit Sales Tax”). Transitways are defined as light rail transit (LRT), bus rapid transit (BRT) and commuter rail.

The legislative direction to the counties imposing the tax was four-fold:

- Form a joint powers board to distribute tax proceeds through grants for transitways;
- Seek the advice of local governments through the formation of the Grant Evaluation and Ranking System (GEARS) Committee;
- Maximize the use and availability of federal funding; and
- Accomplish these purposes with minimal administrative expenditures (no more than three-fourths of one percent of the tax proceeds).

Broad agreement on the goals for distribution of the Transit Sales Tax has been reached: bring additional federal transit funding to the region, reduce the state’s capital contribution to transitways, remove operating costs for transitways from local property taxpayers, and provide tangible benefits by focusing the tax proceeds on construction.

Annual Legislative Report: Results from 2012

As described in this 2012 Annual Legislative Report, CTIB is fulfilling its legislative directives and meeting the identified goals. In 2012, CTIB provided nearly \$151 million in grants to transitway projects in each of the five CTIB member counties. These grants have resulted in tangible improvements to the transit system across the five-county area. Building on the success of 2012 grants, CTIB awarded an additional \$29.41 million in grants for 2013 projects and made a funding commitment to the Southwest Light Rail Transit Project to provide a 60 percent share of preliminary engineering costs.

CTIB has “increased the region’s capacity to develop large-scale transit projects.”

*Office of the
Legislative Auditor*

The Minnesota Office of the Legislative Auditor affirmed the role of CTIB in a 2011 report on transit governance by commenting that CTIB has “increased the region’s capacity to develop large-scale

transit projects.”¹ Likewise, a national study from the Transportation Research Board on transit governance models published in 2012 determined that “CTIB has accelerated transitway expansion in the Twin Cities region by providing a dedicated funding source that reduced the reliance on State funding and allowed the region to maximize leverage of Federal funds.”²

Report Outline

Sections 1 through 4 of the report describe CTIB’s organizational structure and explain how CTIB’s financial management practices foster strong partnerships.

Section 1 – Introduction briefly describes CTIB, its long-term vision for regional transitway development, and its impact on the regional transitway system through grants for capital projects and ongoing operations.

Section 2 – Authority: Legislation and Joint Powers Agreement reviews the authorizing legislation that led to the creation of CTIB and the quarter-cent sales tax and \$20 motor vehicle excise tax that is dedicated to funding major transit improvements, as well as the statutorily required Joint Powers Agreement.

Section 3 – Organizational Structure: Board and Committees describes CTIB’s membership and elected officers and its statutorily-required advisory committee, the Grant Evaluation and Ranking System (GEARS) Committee.

Section 4 – Transit Investment Framework: Vision and Policies outlines the Transit Investment Framework (TIF) adopted by CTIB to establish principles and policies governing the award of grants from sales tax proceeds, financial principles regarding bonding, compliance procedures for tax-exempt obligations, and procedures for preparing an annual financial review and capacity estimate report.

Sections 5 through 10 describe the revenue raised from the regional transit sales tax, as well as the grants awarded from the sales tax proceeds.

Section 5 – Transit Sales Tax Revenues Received summarizes revenues received from the quarter-cent sales tax and \$20 motor vehicle excise tax over the period 2008 – 2012, describes the issuance of a general obligation bond in 2010, and addresses the utilization of sales tax proceeds for ordinary administrative expenses.

Section 6 – Funding Commitments describes the funding commitments made by CTIB to provide funding for operating costs and for the local match for federally funded projects. In addition, this section also describes Washington County’s eligibility for grants of at least 3 percent of the estimated total annual sales tax for the years 2011 – 2013.

Section 7 – History of Grant Awards, 2008 - 2012 summarizes the history of CTIB grant awards from 2008 to 2012. Since its creation in 2008, CTIB has awarded \$494 million in grants to regional transitways for capital projects and operations.

¹ MN Office of the Legislative Auditor (2011): Governance of Transit in the Twin Cities, page 81.

² Transportation Research Board (2012): TCRP Report 159, Transforming Public Transportation Institutional and Business Models, page 52.

- \$366.76 million in capital grants awarded to the following projects: Bottineau Transitway, Cedar Avenue Bus Rapid Transit, Central Corridor Light Rail Transit, I-35W South Bus Rapid Transit, Northstar Commuter Rail, and Southwest Corridor Light Rail Transit.
- \$11.77 million in special guaranteed grants to projects in Washington County: Gateway Corridor, Newport Transit Center, Red Rock Corridor, Rush Line Corridor, and other priority projects.
- \$69.77 million in operating grants awarded to Cedar Avenue Bus Rapid Transit, Hiawatha Light Rail Transit, I-35W South Bus Rapid Transit, Northstar Commuter Rail corridors and the Metropolitan Council.
- \$45.87 million in legislatively mandated operating grants to the Metropolitan Council (297A.992, *subd. 5h* and 2011 *Special Legislative Session, Chapter 3, Article 2, Sec. 1*).

Section 8 – Results from 2012 Grant Projects details results from four capital grant projects funded by CTIB in 2012, as well as results from the four operational transitways awarded operating grants for 2012.

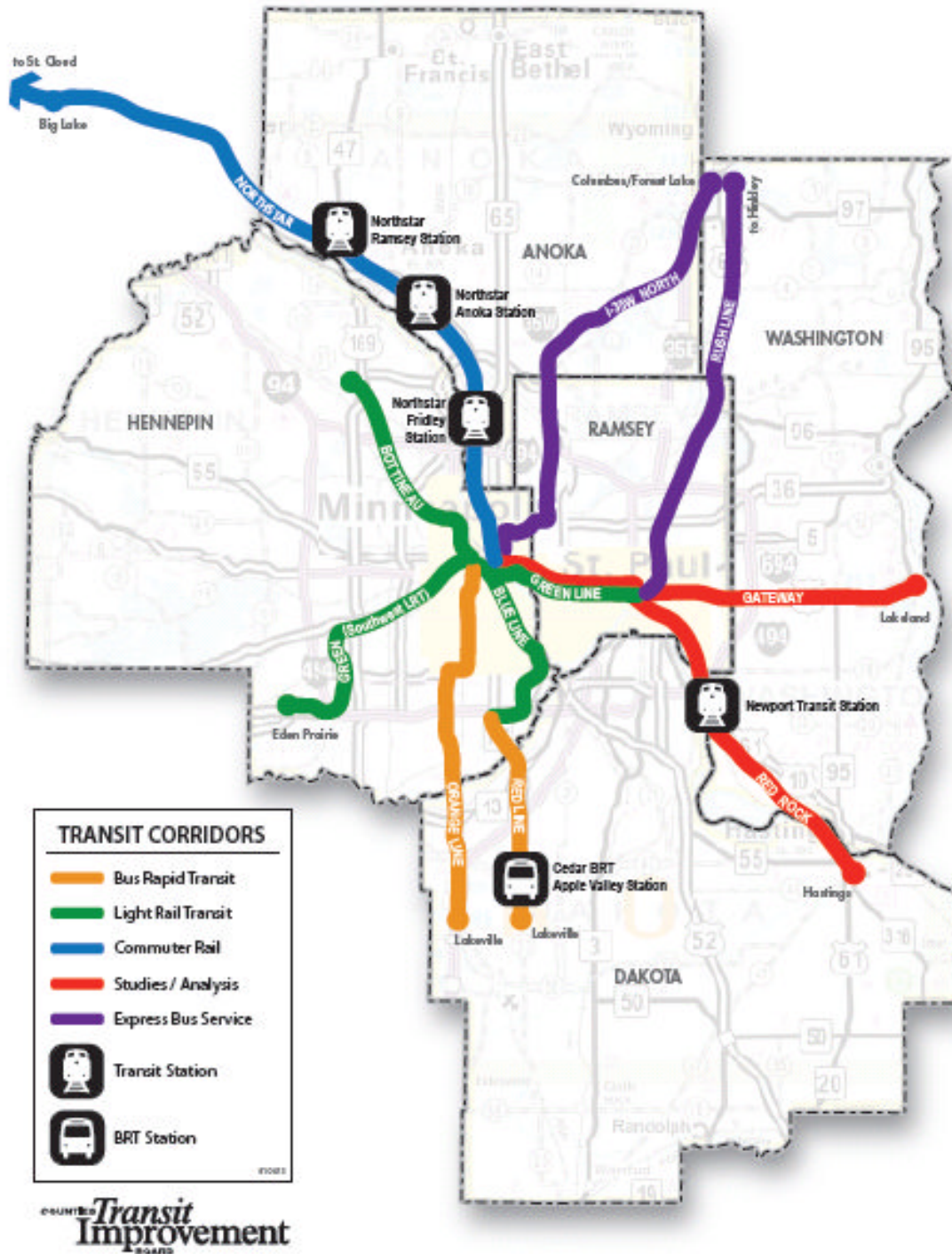
Section 9 – Upcoming 2013 Grant Projects describes the grants awarded in 2012 for projects being implemented in 2013.

Section 10 - Conclusion provides contact information for CTIB.

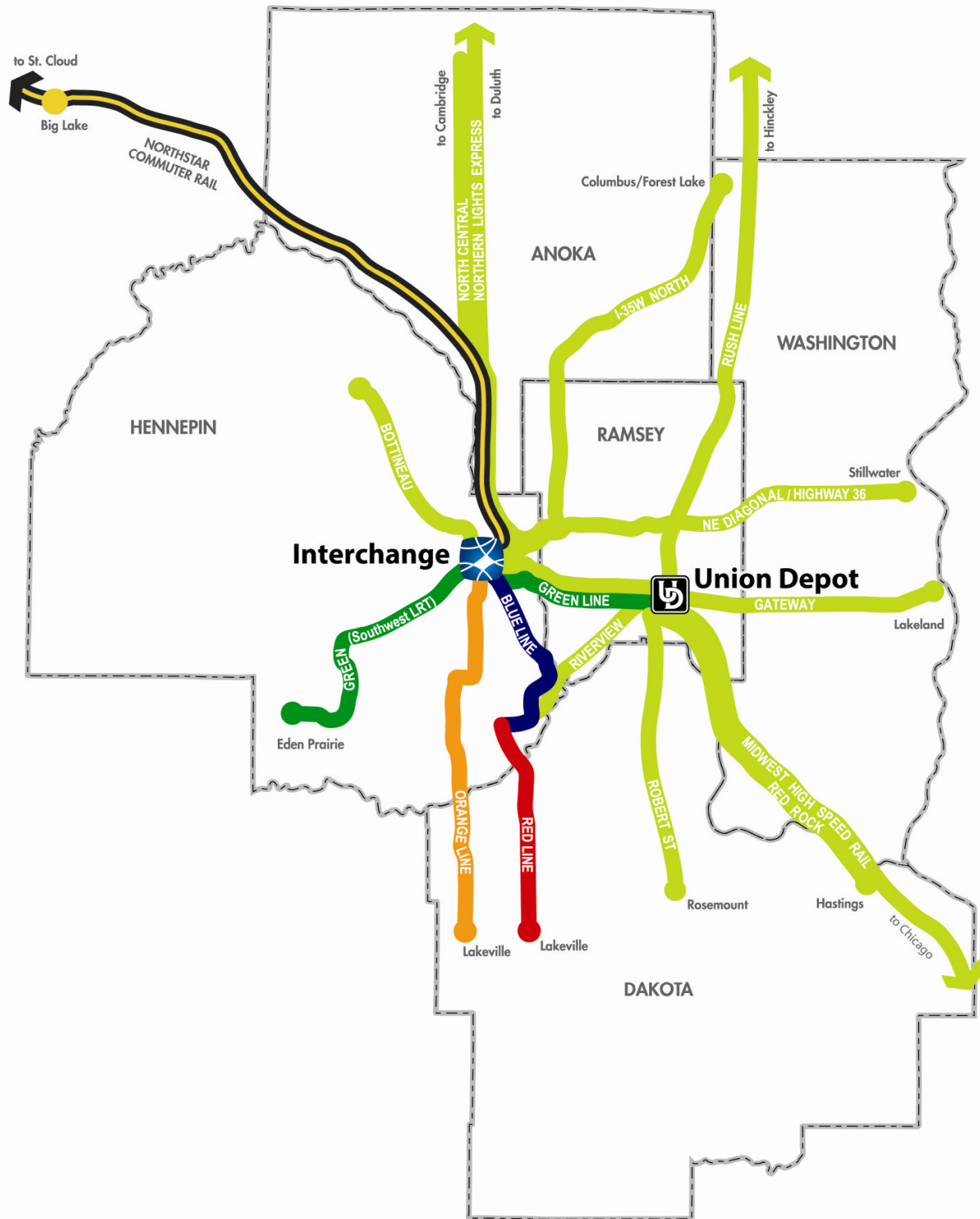
THE MAPS BELOW SHOW THE CORRIDORS FUNDED BY CTIB IN THE YEARS 2008-2013 (MAP 1), AS WELL AS CTIB'S LONG-TERM REGIONAL TRANSITWAY VISION (MAP 2).

MAP 1

Counties Transit Improvement Board Grant Funded Projects 2008 – 2013



CTIB's Long-Term Regional Transitway Vision



2.0 AUTHORITY: LEGISLATION AND JOINT POWERS AGREEMENT

The Counties Transit Improvement Board was formed on April 1, 2008.

On or before April 1, 2008, the counties of Anoka, Dakota, Hennepin, Ramsey and Washington approved the imposition of the quarter-cent sales tax and \$20 motor vehicle excise tax and approved the statutorily required joint powers agreement establishing a new board—the Counties Transit Improvement Board. CTIB was established pursuant to Minn. Statutes Section 297A.992 and Minn. Statutes Section 471.59, by joint powers agreement. The geographic area of the five counties is referred to as the Metropolitan Transportation Area (MTA). The counties of Carver and Scott have not imposed the taxes, but at the invitation of CTIB have joined as ex-officio, non-voting members. The Chair of the Metropolitan Council serves on CTIB as a voting member.

The purpose of the joint powers agreement is to enable the parties to:

- Impose the transportation sales and use taxes and a motor vehicle excise tax, effective July 1, 2008;
- Fund major transit improvements, including debt service on obligations issued to finance such improvements; and
- Establish a joint powers board to receive and distribute funding for transit improvements in the metropolitan area in accordance with Minn. Statutes Section 297A.992.

CTIB's joint powers agreement also sets forth the process for joining and withdrawing from CTIB, the weighted voting requirements, CTIB's powers, the requirements for grants management (including grant eligibility criteria), and the rules governing issuance of debt.

3.0 ORGANIZATIONAL STRUCTURE: BOARD AND COMMITTEES

3.1 COUNTIES TRANSIT IMPROVEMENT BOARD MEMBERSHIP

Each member county appoints two Commissioner representatives and one Commissioner alternate to the Counties Transit Improvement Board. On January 18, 2012, CTIB held its organizational meeting and elected its 2012 officers: Hennepin County Commissioner Peter McLaughlin, Chair; Dakota County Commissioner Paul Krause, Vice Chair; and Ramsey County Commissioner Jim McDonough, Secretary.

A representative of the Grant Evaluation and Ranking System (GEARS) Committee serves as an ex-officio, non-voting member to CTIB to assist in developing strategies for leveraging transit funding, to provide support at the Legislature on transit initiatives, and to assist CTIB in reaching the transit vision set forth in the Transit Investment Framework. In 2012, the ex-officio GEARS representative to CTIB was Councilmember Ady Wickstrom from the City of Shoreview.

The 2012 members of CTIB are listed in Table 1. Note that the number of votes allocated to each county is apportioned by the Joint Powers Agreement formula based equally on sales tax revenues and county population. The Metropolitan Council was awarded five votes in the joint powers agreement, out of the total of 100.

TABLE 1: 2012 COUNTIES TRANSIT IMPROVEMENT BOARD MEMBERS

Member Organization	Members	Alternate	Number of Votes
Anoka County	Commissioner Matt Look Commissioner Robyn West	Commissioner Rhonda Sivarajah	10
Dakota County	Commissioner Paul Krause Commissioner Nancy Schouweiler	Commissioner Thomas A. Egan	13
Hennepin County	Commissioner Peter McLaughlin Commissioner Gail Dorfman	Commissioner Mark Stenglein	47
Ramsey County	Commissioner Jim McDonough Commissioner Rafael Ortega	Commissioners Victoria Reinhardt Jan Parker	16
Washington County	Commissioner Dennis Hegberg Commissioner Lisa Weik	Commissioner Gary Kriesel	7
Metropolitan Council	Chair Susan Haigh	Council Member Steve Elkins	5
Carver County (Ex-officio)	Commissioner Randy Maluchnik		0
Scott County (Ex-officio)	Commissioner Jon Ulrich	Commissioner Tom Wolf	0
GEARS Committee (Ex-officio)	Councilmember Ady Wickstrom City of Shoreview		0

3.2 GRANT EVALUATION AND RANKING SYSTEM (GEARS) COMMITTEE

Pursuant to the requirements of Minn. Statutes Section 297A.992, subd. 5, the Counties Transit Improvement Board established a Grant Evaluation and Ranking System (GEARS) Committee. Following objective criteria established by CTIB, the GEARS Committee is responsible for evaluating grant applications and providing CTIB with a selected list of transportation projects that includes a priority ranking.

The 2012 GEARS Committee elected Edina Mayor Jim Hovland as Chair and Anoka County Commissioner Matt Look as Vice Chair. The selection of city representatives to the GEARS Committee was coordinated by the Association of Metropolitan Municipalities, as required by CTIB’s authorizing legislation. Each member county appointed a Commissioner to the GEARS Committee. The 2012 GEARS Committee members are listed in Table 2.

TABLE 2: 2012 GEARS COMMITTEE MEMBERS

GEARS Member Allocated by Member Organization	County Representatives	Alternate	City Representatives
Anoka County	Commissioner Matt Look	Commissioner Robyn West	Councilmember Dick Swanson City of Blaine
Dakota County	Commissioner Thomas A. Egan		Councilmember Ruth Grendahl City of Apple Valley
Hennepin County	Commissioner Gail Dorfman	Commissioner Mark Stenglein	Councilmember Doug Anderson City of Dayton Mayor Jim Hovland City of Edina Councilmember Robert Lilligren City of Minneapolis
Ramsey County	Commissioner Toni Carter	Commissioner Janice Rettman	Councilmember Ady Wickstrom City of Shoreview Councilmember Russ Stark City of St. Paul
Washington County	Commissioner Autumn Lehrke	Commissioner Bill Pulkrabek	Mayor Dean Johnston City of Lake Elmo
Metropolitan Council	Steven Elkins	Lona Schreiber	

4.0 TRANSIT INVESTMENT FRAMEWORK: VISION AND POLICIES

On May 20, 2009, the Counties Transit Improvement Board adopted its Transit Investment Framework (“Framework”). The Framework was amended in 2010 and 2011 to establish financial principles regarding bonding and compliance procedures for tax-exempt obligations. Amendments made in 2012 adjusted eligibility criteria and funding commitment policies.

The Framework sets forth CTIB’s vision for a regional network of connected transitways which contributes to a vibrant and economically competitive region by increasing mobility, mitigating congestion, enhancing economic development and improving environmental sustainability. In addition, the Framework outlines the importance of utilizing both funding and advocacy to realize its vision for transit. The Framework establishes principles and policies governing the award of grants of sales tax proceeds and CTIB’s advocacy efforts.

For purposes of the Framework and grant eligibility, CTIB defines transitways to include light rail transit (LRT), commuter rail and bus rapid transit (BRT). The Framework acknowledges the need for complementary modes of transit (including arterial BRT, regular route and express bus service, passenger and high speed rail) but due to the limited funding available, such modes are excluded from grant eligibility. It is important to note that State law and CTIB’s Joint Powers Agreement prohibit CTIB from supplanting the operating and capital assistance provided by the State to the Metropolitan Council. The statute also requires all grants to be consistent with the transit portion of the Metropolitan Council’s Transportation Policy Plan.

Finally, the Framework calls for the preparation of an Annual Financial Review and Capacity Estimate to provide background financial information and to assist CTIB in reviewing its financial commitments to date, its on-going ability to meet those commitments and to estimate CTIB’s capacity to provide additional future financial assistance to transitway projects through annual grants. The 2012 Annual Financial Review and Capacity Estimate was adopted by CTIB on June 20, 2012.

Based on the findings in the Annual Financial Review and Capacity Estimate Report, CTIB determined that, for payable 2013 grants, it would make available through the annual grant solicitation funding in the amount of \$26 million for grants to meet its operating and capital funding commitments and up to \$56.6 million for discretionary capital grants to accelerate transitway development.

5.0 TRANSIT SALES TAX REVENUES RECEIVED

Minn. Statutes Section 297A.992 requires that the Counties Transit Improvement Board's Annual Report to the Legislature specifically addresses the transit tax revenue received by CTIB since the enactment of the tax. Table 3 summarizes the transit tax receipts from 2008 through 2012.

TABLE 3: TRANSIT TAX RECEIPTS, 2008 - 2012

	Total Receipts	Department of Revenue Final Costs Deducted	Net Transferred to Board
2008 (September – December Only)	\$29,109,595	(\$411,131)	\$28,689,464
2009	\$89,755,317	(\$1,042,099)	\$88,713,218
2010	\$92,339,888	(\$1,011,534)	\$91,328,355
2011	\$98,269,153	(\$1,022,687)	\$97,246,466
2012	\$102,960,969	(\$1,035,176)	\$101,925,793

5.1 BONDS

In December 2010, the Counties Transit Improvement Board issued a \$102,810,000 note to fund capital grants that exceed cash sales tax collections. The note was purchased at a premium (a price above 100 percent), which resulted in \$110,000,000 becoming available for capital grants. The borrowing was sized so that, together with cash-on-hand and 2011 and 2012 sales tax collections, it would meet CTIB's funding commitments through 2012. Projected grant needs are formally reviewed twice annually, once in the spring to inform CTIB's Annual Financial Review and Capacity Estimate, and again in the fall as part of the annual grant solicitation process. Bond proceeds were used to fulfill CTIB's funding commitment to the Central Corridor LRT Project and were fully expended in 2012.

CTIB's note was issued to Hennepin County and funded by a general obligation bond issue sold by the County as authorized under Minn. Statutes, Section 297A.992. CTIB's note is the first issue of an expected series of parity obligations (obligations having an equal claim on pledged revenues) to be sold to fund CTIB transit capital grants. Parity obligations of CTIB will be supported by CTIB's sales tax collections. Under the terms of the parity obligation indenture of trust, 99.25 percent of the sales taxes collected and remitted by the State to CTIB, after administrative and collection fees retained by the State are pledged first to the payment of parity obligations. The remainder of the sales tax collections, 0.75 percent, represents the amount

permitted under statute for administrative expenses. CTIB will pay its operating grants from sales tax remaining after the monthly parity obligation has been satisfied.

The note was issued at fixed interest rates, averaging 4.68 percent. Adjusting to recognize the premium received, results in a true interest cost of 3.90 percent. Principal on the note will mature from 2012 to 2030. It is estimated that the assistance of Hennepin County through the use of its general obligation pledge provided nearly \$3 million of present value savings over a revenue based transaction by reducing CTIB's borrowing rate.

5.2 GRANT AND BOARD ADMINISTRATION

Minn. Statutes Section 297A.992 Subd. 4 (b) states that the Counties Transit Improvement Board may utilize not more than three-fourths of one percent of the proceeds of the taxes for ordinary administration expenses incurred in carrying out the provisions of this section.

The portion of CTIB's 2012 Administrative Budget funded by sales tax receipts included sales tax revenues in the maximum amount of \$697,500, based on estimated sales tax receipts of \$93,000,000. The sales-tax funded portion of the 2012 administrative budget was used for grant and Board administration, financial advisory and management services, the annual audit, bond counsel services, communications and outreach, and insurance.

6.0 FUNDING COMMITMENTS

In order to meet the expectations of legislators and business stakeholders to provide property tax relief and maximize federal funding, the Counties Transit Improvement Board has made several key commitments to provide funding for operating costs and for the local match for federally funded projects (e.g., the Central Corridor LRT Project). This section summarizes CTIB's funding commitments.

6.1 COMMITMENT TO FUND OPERATING COSTS

On August 20, 2008, the Counties Transit Improvement Board adopted a resolution committing to fund the 50 percent local share of net operating costs for the following transitways:

1. Hiawatha Light Rail Transit (LRT)
2. Northstar Commuter Rail
3. New and expanded Cedar Avenue Bus Rapid Transit (BRT)
4. New and expanded I-35W South Bus Rapid Transit (BRT)
5. Central Corridor Light Rail Transit (LRT)

By committing to use Transit Sales Tax Revenue for these operating costs, CTIB assumed the responsibility of the county regional railroad authorities to provide the 50 percent local share. Prior to the formation of CTIB, these costs had been paid with property tax dollars. CTIB has provided approximately \$69.77 million in property tax relief through grants awarded 2008 – 2012. The Central Corridor LRT Project will begin operations in 2014, and the early commitment to fund operating costs by CTIB was instrumental in gaining FTA approval of the Project.

Legislation passed during the 2011 Special Session temporarily increased CTIB's share of operating subsidies to 75 percent for the 2012-2013 biennium (2011 Special Legislative Session, Chapter 3, Article 2, Section 1). From July 1, 2011 through June 30, 2013, this legislatively mandated operating subsidy cost \$15,086,387. On July 1, 2013, CTIB's share of transitway new operating costs will return to 50 percent as originally agreed to in CTIB's authorizing legislation and Joint Powers Agreement.

6.2 COMMITMENT TO FUND CAPITAL COSTS

In addition to commitments to fund operating costs, the Counties Transit Improvement Board also commits funding for capital projects. Early commitments to fund new transitway development helps accelerate projects by providing a stable source of funding that allows projects to stay on schedule and avoid costly delays. Although grants are awarded annually, CTIB's funding commitments allow projects to proceed with the certainty that CTIB funding will be available when needed.

Since 2008, CTIB has made capital funding commitments to four projects:

- **Central Corridor LRT Project:** CTIB committed funding for 30 percent of the capital costs of the transitway and 10 percent of the three in-fill stations in St. Paul, up to a

maximum of \$300 million. CTIB completed this funding commitment in 2012 with the disbursement of the fourth and final grant to the Central Corridor LRT Project. In total, CTIB provided grants in the amount of \$283,950,000 for the Project.

- **Cedar Avenue BRT Project:** CTIB committed funding for 30.9 percent of construction costs of the Phase 1 bus shoulder lanes, up to a maximum of \$17.7 million. CTIB completed this funding commitment in 2012 with the disbursement of the third and final grant to Phase 1 of the Cedar Avenue BRT Project.
- **I-35W South BRT Project:** Responding to delays in full implementation, CTIB cancelled an earlier grant award and committed funding in the amount of \$1,773,000 for future grants. In 2012, a capital grant in the amount of \$840,000 was awarded (payable in 2013) as the first installment towards fulfilling CTIB's capital funding commitment to this transitway corridor.
- **Southwest LRT Project:** On December 19, 2012, CTIB committed funding for 60 percent of the total costs of the preliminary engineering phase, up to a maximum amount of \$55.8 million. This funding commitment includes grants in the amount of \$32,760,000 previously awarded to the Project.

Funding commitments help secure federal funding for projects. The federal New Starts funding process generally requires a local commitment of 50 percent of the total capital costs in order to be competitive against other applications across the country. Since federal funding is not eligible for early project phases, local partners are responsible for making projects ready for construction by funding all early environmental reviews and route analyses. When CTIB commits to paying 30 percent of total capital costs, CTIB is in effect committing to paying for 60 percent of the local match requirement. Because CTIB has a reliable, dedicated source of funding for its commitments, the federal government's confidence in the region's ability to meet the local funding requirement increases.

CTIB funding commitments pay for early construction and help minimize delays. CTIB's grants provide a significant portion of funding to cash-flow projects during engineering and early construction while projects wait for federal funding commitments. This funding allows projects to stay on schedule and minimizes the logistical and financial impacts from the uncertain timing of federal funding.

Funding commitments reduces the State's contribution to projects. In the case of the Central Corridor LRT Project, CTIB's 30 percent contribution towards capital costs reduced the State's contribution to 10 percent. The State's share of construction for the Central Corridor LRT Project is a smaller percentage of costs than the State's share for the region's two other rail projects: Hiawatha LRT and Northstar Commuter Rail. For Hiawatha LRT, the State provided 17 percent of the capital costs; for Northstar Commuter Rail, the State provided 33 percent of the capital costs.

6.3 WASHINGTON COUNTY GUARANTEED GRANTS

In accordance with the Joint Powers Agreement, each county was eligible for annual grants of at least one percent of the estimated total sales tax proceeds for the calendar years 2009, 2010 and 2011, if a transitway project within the county did not receive a capital or operating grant in that year. In 2008, Washington County was awarded a one percent guaranteed grant in the amount of \$950,000, payable in 2009.

In 2009, the Counties Transit Improvement Board agreed that Washington County would be eligible for grants of at least three percent of the estimated total annual sales tax for the years 2010-2013. Such grants receive priority funding and may be used for studies and planning. The intent of CTIB was to accelerate the early stages of transitway development in Washington County. A core CTIB principle, embodied in the Joint Powers Agreement and the Transit Investment Framework, is to award grants that promote geographic equity over time in order to advance a fully regional network of interconnected transitways. The 2012 grant solicitation resulted in the award of the fourth and final three percent minimum guaranteed grant, payable in 2013.

Nearly
\$12 million
guaranteed to
Washington
County

Since 2008, the total amount of funding awarded to Washington County projects through the one percent and three percent minimum guaranteed grants is \$11.77 million. The projects supported by these grants varies from year to year and include the Gateway Corridor (\$2.75 million), the Red Rock Corridor and the Newport Transit Center (together \$2.88 million), and the Rush Line Corridor (\$1 million). The remainder of the guaranteed grant awards is being held in reserve for future use on Washington County priority projects.

7.0 HISTORY OF GRANT AWARDS, 2008 - 2012

The following table provides a summary of the Counties Transit Improvement Board grants awarded from 2008 through 2012. CTIB awards its annual grants in November and enters into grant agreements in December of each year. Funds awarded are typically disbursed in the following calendar year, though some capital grants are disbursed over multi-year periods.

The table below summarizes CTIB's grant awards since 2008. These grants total \$494.17 million and directly support a strong transit network that contributes to the region's economic vitality and competitiveness. CTIB completed funding commitments to the Cedar Avenue BRT and Central Corridor LRT Projects in 2011. With the first generation of transitway projects nearing the end of construction, CTIB marked the beginning of a new chapter in 2012 by providing first-time support to Bottineau LRT and I-35W South BRT.

TABLE 4: SUMMARY OF GRANTS AWARDED

Transitway		Grants Awarded					
		(in millions)					
		2008	2009	2010	2011	2012	Total
Capital Grants	Bottineau LRT	-	-	-	-	\$2.40	\$2.40
	Cedar Avenue BRT	\$6.95	\$3.22	\$12.89	\$8.79	-	\$31.85
	Central Corridor LRT	\$13.36	\$66.03	\$106.68	\$97.88	-	\$283.95
	I-35W South BRT	-	-	-	-	\$0.84	\$0.84
	Northstar Commuter Rail: Anoka, Fridley, Ramsey Stations	\$9.92	-	\$1.00	\$2.00	\$2.00	\$14.92
	Southwest LRT	-	\$7.00	\$12.20	\$13.56	-	\$32.76
	Total Capital	\$30.23	\$76.24	\$132.77	\$122.24	\$5.24	\$366.73
Operating Grants	Cedar Avenue BRT	\$0.02	\$0.17	\$0.31	\$0.48	\$1.48	\$2.46
	Hiawatha LRT	\$7.48	\$7.30	\$7.31	\$8.49	\$9.18	\$39.76
	I-35W South BRT	\$0.06	\$0.11	\$0.15	\$0.11	\$0.12	\$0.56
	Northstar Commuter	\$3.29	\$5.73	\$5.71	\$5.98	\$6.30	\$27.01
	Metropolitan Council*	\$30.78	-	-	\$10.90	\$4.18	\$45.87
	Total Operating	\$41.64	\$13.29	\$13.49	\$25.96	\$21.26	\$115.64
Washington County Guaranteed Grants		\$0.95	\$2.55	\$2.66	\$2.70	\$2.91	\$11.77
Total Grants		\$72.82	\$92.09	\$148.93	\$150.90	\$29.41	\$494.14

*The Metropolitan Council operating grant of \$30,783,000 awarded in 2008 was legislatively mandated by 297A.992, *subd.5h*. The Metropolitan Council operating grant awards in 2011 and 2012 total \$15,086,387 and reflect the additional 25% net operating subsidy mandated by the 2011 Special Legislative Session, *Chapter 3, Article 2, Section 1*. The 2011 grant award of \$10.9M applies to 2011 and 2012 transitway operations, while the 2012 award of \$4.2M will support 2013 transitway operations.

8.0 RESULTS FROM 2012 GRANT PROJECTS

At the close of 2011, the Counties Transit Improvement Board awarded by unanimous vote nine grants for projects in 2012. The results from these grant-funded projects are detailed on the following pages.

Four capital grants totaling \$122.3 million were directed to the Cedar Avenue BRT Project, the Central Corridor LRT Project, the Northstar Commuter Rail Ramsey Station Project, and the Southwest Corridor LRT Project. These grants included the last installment grants towards completing the funding commitments to the Central Corridor LRT and Cedar Avenue BRT projects. Both projects were able to secure federal funding in part because of the early and consistent grant funding available from CTIB.

Washington County was awarded \$2.7 million under the three percent guaranteed grant. These funds supported two 2012 projects. A grant of \$630,000 was awarded for a project within the Rush Line Corridor to acquire property in Hugo. A second grant was awarded in the amount of \$2,125,000 to provide funding for the Gateway Corridor Draft Environmental Impact Statement (DEIS).

Finally, CTIB awarded \$22.59 million to provide a 75 percent net operating subsidy to the region's four operating transitways: Cedar Avenue BRT, Hiawatha LRT, I-35W South BRT, and Northstar Commuter Rail. Legislation passed during the 2011 Special Session increased CTIB's net operating subsidy to 75 percent (from 50 percent) for the period July 1 2011 to June 30, 2013. This resulted in an increase of \$7.5 million for operating grants awarded in 2011 for 2012 operations.

CENTRAL CORRIDOR LIGHT RAIL TRANSIT (GREEN LINE)

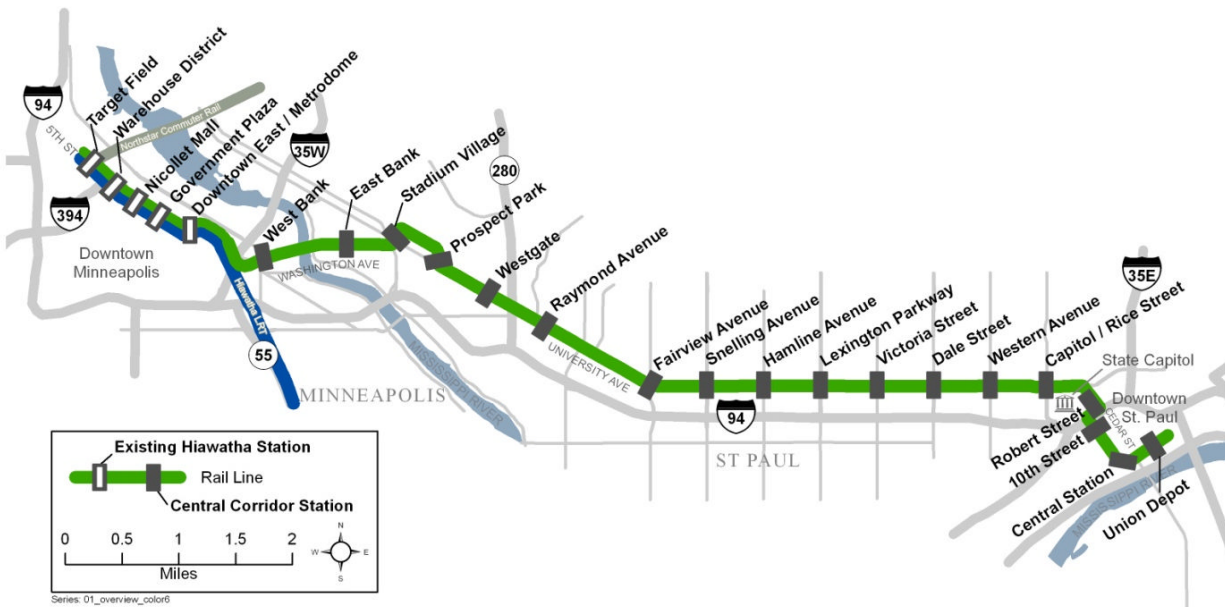
2012 CAPITAL GRANT AMOUNT: \$97.9 MILLION

Beginning in 2014, the Central Corridor LRT (Green Line) Project will provide a fast, safe, new transportation choice in one of the region's most heavily traveled corridors. The 11-mile Central Corridor links downtown St. Paul and downtown Minneapolis via Washington and University Avenues. CTIB supported the project in 2012 through a grant in the amount of \$97,879,633.

The Central Corridor LRT line will mean improved access to five major centers of economic activity - the two downtowns, the University of Minnesota, the Midway district, the State Capitol complex and many neighborhoods in between. Employment along the Central Corridor is projected to grow by more than 90,000 jobs by 2030, bringing total employment in the area to nearly 375,000 workers.

The Federal Transit Administration awarded in April 2011 the Full Funding Grant Agreement for the Central Corridor LRT Project, committing \$479 million federal funding of the \$957 million total project budget to the Metropolitan Council.

Figure 1: Central Corridor LRT route from downtown St. Paul to downtown Minneapolis



Key accomplishments in 2012 include:

- Overall construction of the line is 84 percent complete.
 - All 18 stations are structurally complete, 10 miles of double track are installed, and all roads and sidewalk along that 10 miles are completed and opened.
 - Operations and Maintenance Facility is 76% complete.
 - Systems work is 49% complete.
- Two light rail vehicles have been delivered to Minnesota.
- Fare Collection contract, the last major contract for the project, was executed.

The Central Corridor LRT Project is creating jobs and generating economic development:

- The Central Corridor LRT Project has created 4,455 construction jobs through November 2012.
- When the project is complete, it is estimated it will have created \$252 million in payroll.
- Operations and maintenance of the Central Corridor LRT line will create an estimated 175 permanent jobs.
- Central Corridor LRT construction experience shows workers come from all over the state to build the line (see attached map).
- Eighteen housing and commercial/retail developments with nearly 2,300 housing units and more than 109,000 square feet of commercial/retail space began construction or entered the planning stage in 2012 along the Central Corridor LRT line in Minneapolis and St. Paul. This is in addition to the nearly 40 development projects with 5,100 housing units and 712,000 square feet that opened, were under construction or in the planning stage in 2011 along the region's second light rail line.



Figure 2: Workers help pour concrete in the guideway near Hamline Station in the Midway

Figure 3: Tenth Street Station in July and November 2012



Figure 4: Washington Avenue Transit Mall undergoes significant changes between March and November 2012

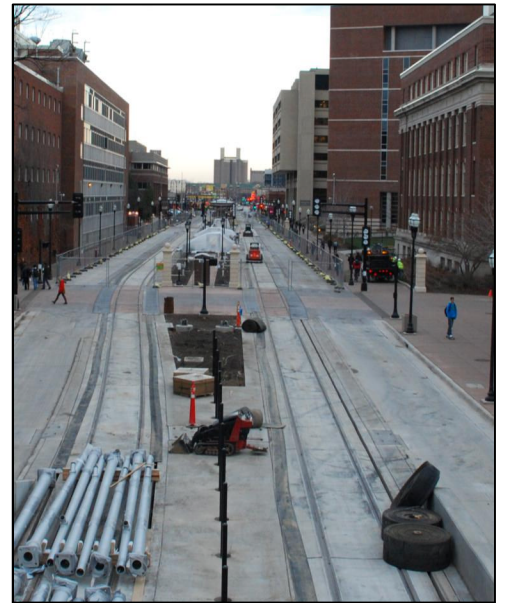
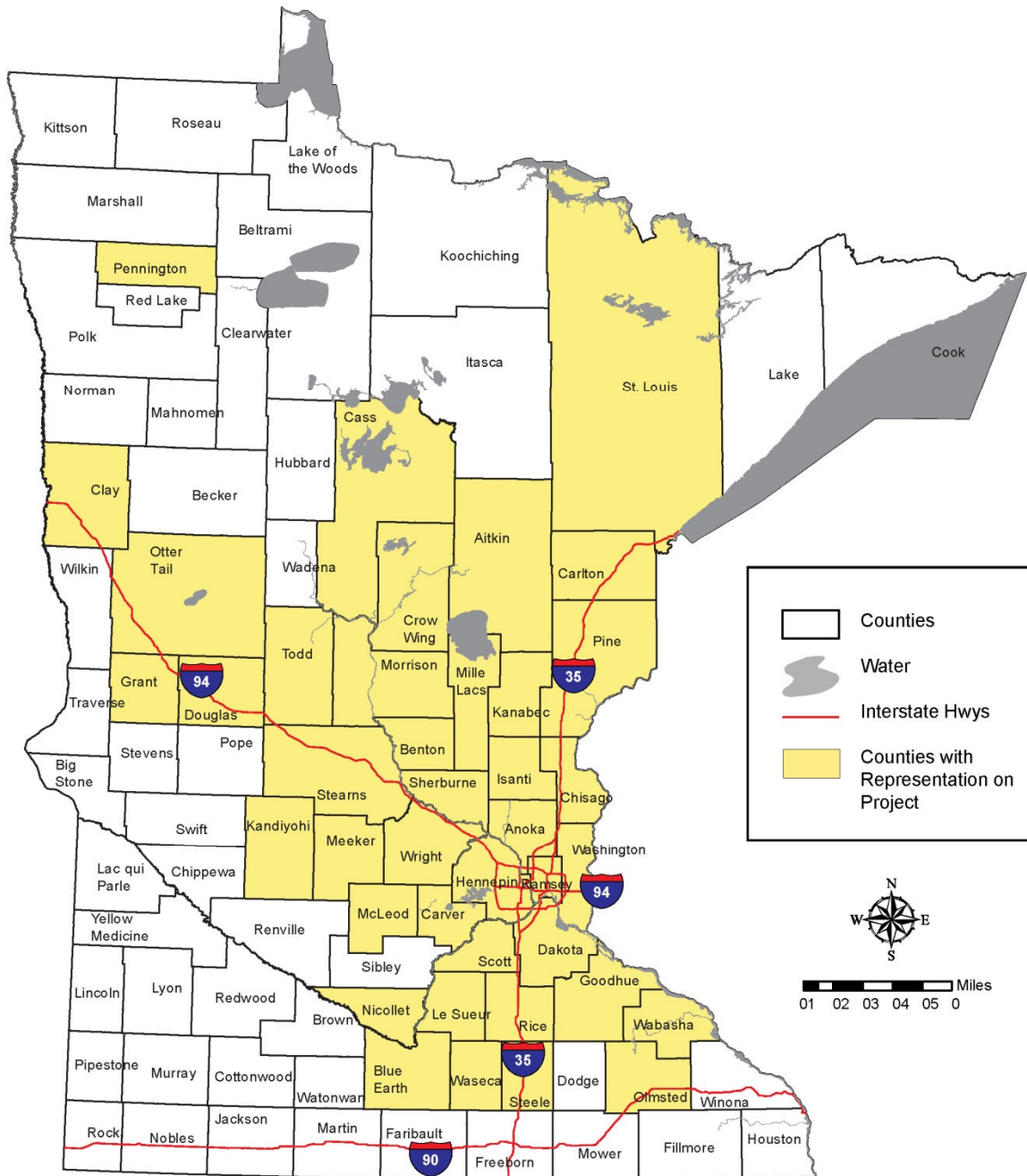


Figure 5: (left) Operations and Maintenance Facility construction with tracks leading up to it. (right) New Siemens Light Rail Vehicle unveiled on October 10, 2012.



Figure 6: Central Corridor Light Rail Transit Providing Jobs Across MN

Home Zip code for CCLRT Construction Workers by county in 2012



Source: Metropolitan Council

SOUTHWEST LIGHT RAIL TRANSIT (GREEN LINE EXTENSION)

2012 CAPITAL GRANT AMOUNT: \$13.6 MILLION

The Southwest Light Rail Transit Project (Green Line Extension) will serve one of the region's most heavily traveled corridors, linking downtown Minneapolis with the southwestern suburban cities of Eden Prairie, Minnetonka, Hopkins, Edina and St. Louis Park. The line will connect major activity centers in the region including downtown Minneapolis, the Minneapolis Chain of Lakes, Methodist Hospital, the Opus/Golden Triangle employment area, and the Eden Prairie Town Center area.

The Southwest LRT line will provide a new transportation option for the 210,000 people who currently work in the corridor as well as 60,000 new jobs that are forecasted by 2030. Delivery of the Southwest LRT Project will create an estimated 150 design, engineering and management jobs and 3,500 construction jobs resulting in \$330 million in payroll. Operation and maintenance of the Southwest LRT line will create an additional 175 permanent jobs.

Key Accomplishments in 2012 include:

- Establishing the Community and Business Advisory Committees and the Communication Steering Committee to engage stakeholders in the planning and design process, and continuing to hold meetings of the Corridor Management Committee;
- Establishing the Southwest Project Office in the Park Place West Building in St. Louis Park, Minnesota (6465 Wayzata Boulevard, Suite 500) and preparing for the arrival of engineering consultant staff;
- Recruiting project management team members including assistant directors of environmental/agreements and community works and managers of design, engineering, budget/grants, project controls, right-of-way/permits, environmental, agreements, joint development/transit oriented development, public involvement and office administration, as well as additional project staff in all these areas;
- Completing a Phase II Archaeological Survey of the proposed alignment;
- Soliciting for preliminary engineering consultants on the eastern and western portions of the project, evaluating proposals, and executing contracts with Kimley-Horn and Associates (eastern portion) and AECOM (western portion);
- Issuing a RFP for an independent consultant to provide peer review of work by the preliminary engineering consultants;
- Publishing the Southwest Transitway Draft Environmental Impact Statement (DEIS) in cooperation with the Federal Transit Administration (FTA) and holding three public hearings to receive comments on the document;
- Issuing a RFP for a consultant to prepare the Final Environmental Impact Statement (FEIS);
- Successfully applying for \$2 million in grant funds from the Minnesota Department of Employment and Economic Development and receiving funding commitments for preliminary engineering from the Hennepin County Regional Railroad Authority and CTIB of \$8.4 million and \$23.0 million, respectively.



Figure 7: The Southwest Light Rail Transit line will serve one of the region’s most heavily traveled corridors, linking downtown Minneapolis with the southwestern suburban cities of St. Louis Park, Hopkins, Minnetonka, Eden Prairie, and passing close to Edina.

CEDAR AVENUE BUS RAPID TRANSIT (BRT)

2012 CAPITAL GRANT AMOUNT: \$8.79 MILLION

The 2012 capital grant of \$8,794,658 provided the last Counties Transit Improvement Board funds required for completion of Cedar Avenue BRT Stage 1 capital projects. The budget for Cedar Avenue BRT Stage 1 is currently estimated at \$111.5 million, comprising approximately 39% Federal, 25% State, 26% CTIB and 10% local funds. Specific projects funded with the 2012 CTIB capital grant include:

- Completion of the bus shoulder project
- Walk up stations near 140th and 147th Streets in Apple Valley
- Station-to-station vehicle procurement
- Station and vehicle technology
- Vehicle storage, maintenance and layover facilities

The bus shoulder construction project is substantially complete. Landscaping, lighting, final bituminous paving and striping should be completed by July 1, 2013. The bus shoulder construction project directly generated 209 jobs in 2011 and 171 jobs in 2012. The METRO Red Line station-to-station vehicles have been delivered. The installation of bike racks and other amenities is underway, along with installation and testing of the technology components. Metro Transit awarded the walk-up station construction contract in 2012, and construction of these stations at 140th and 147th Streets in Apple Valley is expected to be completed by May, 2013. The Dakota County Regional Railroad Authority has contracted with the Minnesota Valley Transit Authority for the Vehicle Storage and Maintenance as an expansion of their existing Eagan facility and development of the layover facility adjacent to the Apple Valley Transit Station.



Figure 8: Apple Valley Transit Station located on recently completed bus shoulder project

The METRO Red Line is the station-to-station service component of the Cedar Avenue BRT corridor, which also has express service to downtown Minneapolis and the University of Minnesota. Station-to-Station service between the Apple Valley Transit Station and the Mall of America is scheduled to begin by the end of June 2013. The METRO Red Line is expected to promote new development and redevelopment, such as the 400,000 square foot outlet mall being constructed near the Cedar Grove station.

Figure 9: Construction along County Road 42, before and after



Figure 10: Bus shoulder reconstruction in Lakeville, before and after.



Figure 11: (left) Construction of new walk-up station at 140th Street. (right) New Red Line Bus Rapid Transit Vehicle unveiled on December 10, 2012.



NORTHSTAR COMMUTER RAIL: RAMSEY STATION

2012 CAPITAL GRANT AMOUNT: \$2 MILLION

The 2012 capital grant of \$2,000,000 was for the Northstar Commuter Rail's newest station in the City of Ramsey. The Counties Transit Improvement Board grant supported negotiation and acquisition of easements from BNSF Railway Company for the station.

Ramsey Station supporters marked the beginning of construction with a kick-off event at Ramsey City Hall on November 16, 2011. The event was marked with the first Northstar train stop in the city. The new station was substantially completed on November 8, 2012 with a celebration hosted at Ramsey City Hall. Revenue service commenced on November 14, 2012.

The new station has helped spark new development around the station area, called "The COR". The new Veterans Administration Clinic opened in November 2011, and other new developments have sprouted up, such as the Allina Medical Clinic and the Falls Café. At The COR's full build out, 1,500 residential units will be available, including homes for seniors and young professionals. Nearly 4,000 jobs will be created. Approximately \$3.5 million in local tax revenue will be generated each year in The COR.

The new Ramsey Station is expected to average 200 rides per weekday, adding 51,000 weekday rides per year to the commuter rail system. Most of those rides will be people commuting to and from work on the train instead of in their cars on the congested highways in the Northstar Corridor.



Figure 12: Ribbon-Cutting Event for Ramsey Station, Nov. 2012.



Figure 13: Celebrating Substantial Completion of Construction, with View of New Station and Pedestrian Overpass

**WASHINGTON COUNTY GUARANTEED GRANT:
GATEWAY CORRIDOR DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS)
2012 CAPITAL GRANT AMOUNT: \$2,125,000**

The Counties Transit Improvement Board awarded a grant in the amount of \$2,125,000 to match \$875,000 in local funds for the completion of the Draft Environmental Impact Statement (DEIS) for the Gateway Corridor. The DEIS will be a continuation of the Alternatives Analysis (AA), which will be completed in early 2013. In 2012, progress towards completing the AA work included the identification of two alternatives to carry forward into the DEIS for further evaluation. The two alternatives are light rail transit (LRT) or bus rapid transit (BRT) along Hudson Road from St. Paul to Woodbury with express bus connections to Hudson, WI.

The purpose of the DEIS is to conduct a full and open evaluation of environmental issues and alternatives, and to inform decision-makers and the public of reasonable alternatives that could avoid or minimize adverse impacts and enhance the quality of the environment. It is anticipated that the DEIS will be complete by early 2015.



Figure 14: Map of Gateway Corridor Preferred Alternatives

**WASHINGTON COUNTY GUARANTEED GRANT:
RAIL CORRIDOR PURCHASE FOR FUTURE RUSH LINE CORRIDOR USE
2012 CAPITAL GRANT AMOUNT: \$630,000**

The Counties Transit Improvement Board awarded a grant in the amount of \$630,000 to support a project involving the purchase of approximately one and a half miles of BNSF Railroad Company right-of-way along Highway 61 in the City of Hugo, as a part of the Rush Line Corridor. The Washington County Regional Railroad Authority (WCRRA) currently owns approximately 9.5 miles of former rail property immediately north of this BNSF property. Acquisition of the BNSF property would further extend the WCRRA's property limits and continue to support the future development of the Rush Line Corridor. WCRRA is in ongoing property negotiations with BNSF.



Source: Washington County GIS

N

Figure 15: Map of Property to be Acquired

HIAWATHA LIGHT RAIL TRANSIT (BLUE LINE) 2012 OPERATING GRANT AMOUNT: \$12,734,091

The Counties Transit Improvement Board awarded an operating grant in the amount of \$12,734,091 for service in 2012. Legislation passed during the 2011 Special Session temporarily increased CTIB's share of operating subsidies to 75 percent for the 2012-2013 biennium. For the period of January 1, 2012 to December 31, 2012, this additional legislatively mandated CTIB operating subsidy for the Hiawatha Light Rail Transit Line (Blue Line) was \$4.2 million. On July 1, 2013, CTIB's share of transitway operating subsidies will return to 50 percent.



Figure 16: Hiawatha Light Rail connects downtown Minneapolis with the Airport and Mall of America

Grant Results - The Hiawatha Light Rail Transit line completed its eighth year of service in 2012. The average weekday ridership in 2012 exceeded projected ridership for 2020, with a project yearly total of nearly 10.5 million rides.

In 2012, the Hiawatha Light Rail Transit recovered approximately 38 percent of its operating cost from fares, compared to a national peer system average of 30 percent. Ridership on the Hiawatha Light Rail Transit line represents approximately 13 percent of all Metro Transit rides. The new Target Field, and the Hiawatha Light Rail Transit's Target Field station adjacent to the ballpark, provided convenient and easy access for baseball game attendees in 2012. From April 2012 through September 2012, nine percent of baseball game attendees took the Hiawatha Light Rail Transit line to and from the games.

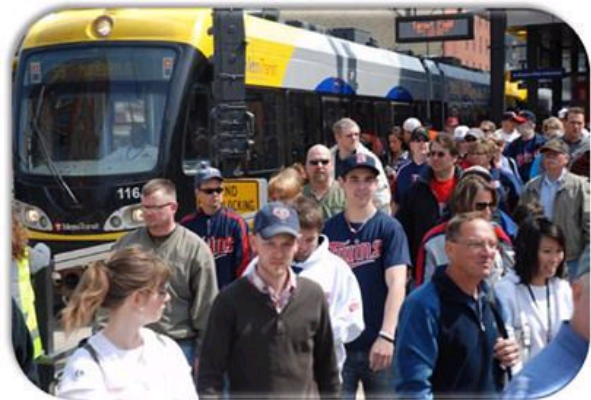


Figure 17: Fans arriving at a Minnesota Twins Game

High ridership on the Hiawatha Light Rail Transit line and other cost saving measures taken by the Metropolitan Council resulted in reduced operating costs in 2011. In 2012, the Metropolitan Council presented CTIB with a \$359,390 operating grant refund for 2011 operations.

NORTHSTAR COMMUTER RAIL
2012 OPERATING GRANT AMOUNT: \$8,964,925

The Counties Transit Improvement Board awarded an operating grant in the amount of \$8,964,925 for service in 2012. Legislation passed during the 2011 Special Session temporarily increased CTIB's share of operating subsidies to 75 percent for the 2012-2013 biennium. For the period of January 1, 2012 to December 31, 2012, this additional legislatively mandated CTIB operating subsidy for the Northstar Commuter Rail line was \$2.98 million. On July 1, 2013, CTIB's share of transitway operating subsidies will return to 50 percent.



Figure 18: Northstar Train

Grant Results – Northstar Commuter Rail completed its third year of service in 2012. Northstar offers five morning trips from Big Lake to downtown Minneapolis and five return trips in the afternoon with stops at Fridley, Coon Rapids, Anoka, Ramsey, Elk River and Big Lake. One reverse commute roundtrip is available on weekdays, and three weekend roundtrips are available on Saturday and Sunday. The Northstar Ramsey Station opened and began passenger service on November 14, 2012. In 2012, the Northstar Commuter Rail line provided over 700,000 rides. Ridership is anticipated to grow in 2013.

Cost saving measures taken by the Metropolitan Council and an operating refund from BNSF Railroad resulted in reduced operating costs in 2011. In 2012, the Metropolitan Council presented CTIB with a \$1,358,534 operating grant refund for 2011 operations.

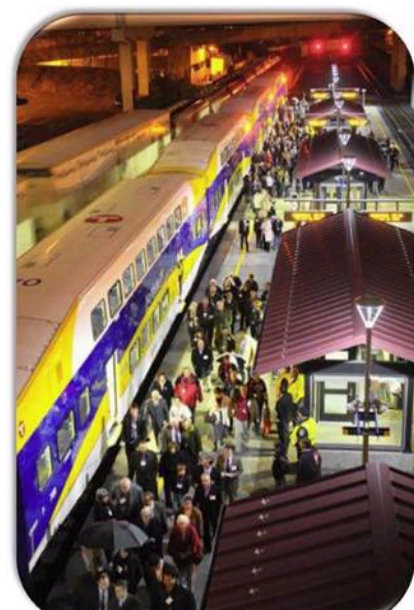


Figure 19: Northstar Riders Off Boarding at Night

CEDAR AVENUE BUS RAPID TRANSIT
2012 OPERATING GRANT AMOUNTS:
\$453,047 (EXPRESS) AND \$269,909 (STATION-TO-STATION)

Two operating grants were awarded for Cedar Avenue Bus Rapid Transit (BRT) service. One grant in the amount of \$453,047 supported expanded express bus service within the corridor, and another grant in the amount of \$269,909 was intended for station-to-station METRO Red Line service. Start-up of the METRO Red Line station-to-station service is now scheduled for the second quarter of 2013. As a result, no Counties Transit Improvement Board funds were disbursed or expended for station-to-station services in 2012.

Legislation passed during the 2011 Special Session temporarily increased CTIB's share of operating subsidies to 75 percent for the 2012-2013 biennium. In 2012, this additional legislatively mandated CTIB operating subsidy for the Cedar Avenue BRT (Express and Station-to-Station) services totaled \$240,985. On July 1, 2013, CTIB's share of transitway operating subsidies will return to 50 percent.

Route 477, the Cedar Avenue BRT Express route serving the Lakeville Cedar Park-and-Ride and the Apple Valley Transit Station, expanded its operation in September 2009 to provide one extra trip between the Apple Valley Transit Station and downtown Minneapolis and extend five Apple Valley trips in the morning and evening rush hours to serve the Lakeville Cedar Park-and-Ride. In March 2011, the one additional trip from the Apple Valley Transit Station to Minneapolis was cancelled due to lack of ridership growth.

In March 2010, the Cedar Grove Transit Station opened and new express service to downtown Minneapolis and the University of Minnesota started in September 2010. These three round trips each weekday continued operation in 2012.

In 2012, the new services provided nearly 22,000 rides. These new rides are in addition to the nearly 485,000 rides from other bus services that utilize the new Apple Valley Transit Station pictured below.



Figure 20: Apple Valley Transit Station

I-35W SOUTH BUS RAPID TRANSIT (BRT) EXPRESS SERVICE

2012 OPERATING GRANT AMOUNT: \$169,455

The Counties Transit Improvement Board provided an operating grant in the amount of \$169,455 for service in 2012. Legislation passed during the 2011 Special Session temporarily increased CTIB's share of operating subsidies to 75 percent for the 2012-2013 biennium. For the period January 1, 2012 to December 31, 2012, this additional legislatively mandated CTIB operating subsidy for the I-35W South Bus Rapid Transit (BRT) Express service was \$56,485. On July 1, 2013, CTIB's share of transitway operating subsidies will return to 50 percent.

Route 467, the I-35W South BRT Express service to the Kenrick Avenue Park-and-Ride in Lakeville started operation in September 2009. The service is operated by Metro Transit using coach buses. Ridership continues to grow rapidly, increasing from approximately 800 daily rides in late 2011 to more than 1,000 daily rides in late 2012. Total 2012 ridership is on pace to exceed 215,000. During 2012, this service recovered more than 70 percent of its operating cost from fares.



Figure 21: Kenrick Park-and-Ride in Lakeville.

Because of increased ridership, four additional trips were added to the service in 2012, two in the morning and two in the evening. This increased the total numbers of trips from 20 to 24 trips daily. Further fleet and service expansions are anticipated in 2013 to accommodate continued ridership growth.

High ridership on the I-35W South BRT Express service and other cost-saving measures taken by the Metropolitan Council resulted in reduced operating costs in 2011. The Metropolitan Council presented CTIB with a \$125,548 operating grant refund for 2011 operations.

9.0 UPCOMING 2013 GRANT PROJECTS

In June 2012, the Counties Transit Improvement Board passed a resolution as required by Minn. Statutes Section 297A.992, subd. 5, to authorize the 2012 Grant Solicitation Process for Grants Payable in 2013, to establish the amount of funding available for 2013 grants, to adopt supplemental grant eligibility criteria, and to establish the schedule for the evaluation and award of grants. The Payable 2013 Grant Eligibility Criteria are attached as Exhibit A.

Applications were submitted on September 7, 2012, reviewed by staff for completeness, and then re-submitted for final review on September 21, 2012. All of the projects were deemed consistent with the Metropolitan Council's 2030 Transportation Policy Plan, by resolution of the Metropolitan Council on October 10, 2012. The GEARS Committee completed its review and made funding recommendations to CTIB on November 5, 2012. CTIB accepted the recommendations from the GEARS Committee and awarded, by unanimous vote, nine capital and operating grants for projects in 2013.

PAYABLE 2013 CAPITAL GRANTS – \$5.4 MILLION

Capital grants awarded for 2013 projects reflect CTIB's efforts to strategically target its investments towards regional priorities. Because of the funding provided by CTIB, several first-generation transitways are almost through construction and no longer need capital grant assistance from CTIB. CTIB capital grants are being used to advance the second generation of transitway projects.

Bottineau Corridor – 2013 Grant Amount \$2,400,000

The Bottineau Corridor Project received an award of \$2.4 million in 2013 grant funds to support early preliminary engineering activities after the transitway's locally preferred route and mode are amended into the Metropolitan Council's Transportation Policy Plan.

I-35W South Bus Rapid Transit – 2013 Grant Amount \$840,000

The I-35W South BRT Project received an award of \$840,000 in 2013 grant funds for the purchase of five coach buses to operate expanded I-35W BRT Express Service between Lakeville and downtown Minneapolis. The vehicles are being purchased with options off an existing contract. Ridership has nearly tripled since 2009 and is expected to grow in 2013. This is the first grant to draw from CTIB's \$1,773,000 capital funding commitment to the project.

Northstar Commuter Rail Anoka Station – 2013 Grant Amount \$2,000,000

The Northstar Commuter Rail Anoka Station received an award of \$2 million in 2013 grant funds for the construction of a pedestrian overpass and parking facility to improve safety in the station area.

WASHINGTON COUNTY THREE PERCENT GUARANTEED GRANT – \$2,910,000

Washington County is eligible for grants of at least three percent of estimated total annual sales tax proceeds for the years 2010 through 2013. For 2013, Washington County was awarded \$2,910,000 in funding for future use on Washington County priority projects, including the Gateway, Rush Line, Red Rock and Highway 36 corridors.

PAYABLE 2013 OPERATING GRANTS – \$21.26 MILLION

Hiawatha Light Rail Transit – 2013 Grant Amount \$11,473,089

Hiawatha Light Rail Transit received an award of \$11.5 million in 2013 grant funds to provide a 75 percent share of the 2013 net operating costs for the period January 1 to June 30, 2013 and to provide a 50 percent share of 2013 net operating costs for the period July 1 to December 31, 2013. Of the total grant award, \$2,294,617 accounts for the additional 25 percent share mandated by the 2011 Special Legislative Session, and \$9,178,471 relates to CTIB's regular 50 percent share of net operating expenses.

Northstar Commuter Rail – 2013 Grant Amount \$7,871,876

Northstar Commuter Rail received an award of \$7.8 million in 2013 grant funds to provide a 75 percent share of the 2013 net operating costs for the period January 1 to June 30, 2013 and to provide a 50 percent share of 2013 net operating costs for the period July 1 to December 31, 2013. Of the total grant award, \$1,574,375 accounts for the additional 25 percent share mandated by the 2011 Special Legislative Session, and \$6,297,500 relates to CTIB's regular 50 percent share of net operating expenses.

I-35W South Bus Rapid Transit – 2013 Grant Amount \$148,936

I-35W South Bus Rapid Transit received an award of \$148,936 in 2013 grant funds to provide a 75 percent share of the 2013 net operating costs for the period January 1 to June 30, 2013 and to provide a 50 percent share of 2013 net operating costs for the period July 1 to December 31, 2013. Of the total grant award, \$27,927 accounts for the additional 25 percent share mandated by the 2011 Special Legislative Session, and \$121,009 relates to CTIB's regular 50 percent share of net operating expenses.

Cedar Avenue Bus Rapid Transit – 2013 Grant Amount \$1,761,368

Cedar Avenue Bus Rapid Transit received two grant awards totaling approximately \$1.76 million. The first grant award is for \$367,421 to provide express service between Lakeville and Minneapolis and the University of Minnesota, as well as to provide support for facilities operations. Of this amount, \$73,484 accounts for the additional 25 percent share mandated by the 2011 Special Legislative Session, and \$293,936 relates to CTIB's regular 50 percent share of net operating expenses. The second grant award of \$1,393,947 will support METRO Red Line station-to-station service between Apple Valley Transit Station and the 28th Avenue Station in Bloomington. Station-to-station service is expected to commence by June 2013. Of the total grant award, \$211,978 accounts for the additional 25 percent share mandated by the 2011 Special Legislative Session, and \$1,181,969 million relates to CTIB's regular 50 percent share of net operating expenses.

TRANSITWAY BRIEFS

A Transitway Brief summarizing each of the transitway corridors awarded a grant from CTIB since 2008 can be found in Exhibit B. Transitway Briefs are included for: Bottineau Transitway, Cedar Avenue BRT (Red Line), Central Corridor LRT (Green Line), Gateway Corridor, Hiawatha LRT (Blue Line), I-35W South BRT, Northstar Commuter Rail, Red Rock Corridor, Rush Line Corridor, and Southwest LRT (Green Line Extension).

10.0 CONCLUSION

The Counties Transit Improvement Board is proud of its investments. From 2008 to 2012, CTIB has awarded \$494 million in grants to support transitway development and operations. These transit investments help commuters, residents and businesses move more quickly and efficiently through the metropolitan region now and for the foreseeable future. We are helping create a 21st Century Transit System.

CTIB looks forward to 2013. In the coming year, CTIB will continue its efforts to accelerate transitway development in the region through its annual grant process and strong advocacy position both at the State and Federal level. The continued collaboration of the five counties and the Metropolitan Council remains important for meeting the transit and economic development needs of the Twin Cities' region.

To learn more, please visit the Counties Transit Improvement Board website, Mnrides.org.

Respectfully submitted:

Commissioner Peter McLaughlin, Chair
Counties Transit Improvement Board and
Hennepin County Regional Railroad Authority
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**EXHIBIT A:
PAYABLE 2013 GRANT
ELIGIBILITY CRITERIA**

PAYABLE 2013 GRANT ELIGIBILITY CRITERIA

The following grant eligibility criteria will be used by the GEARS Committee to evaluate grant applications and by the Counties Transit Improvement Board to select and award grants. The Board will award grants only to state and political subdivisions, as prescribed by Minn. Statute section §297A.992, subdivision 5(b). The Board retains the right to establish additional criteria on an annual basis to supplement the following criteria in order to set priorities, address funding short-falls, and/or maximize funding availability. Grant eligibility criteria are as follows:

1. Grant awards shall be consistent with the most recent version of the Transportation Policy Plan, adopted by the Metropolitan Council.
2. Grant awards shall maximize the availability and use of federal funds.
3. No grant award made to the Metropolitan Council may supplant operating or capital funding provided to the Metropolitan Council by the state.
4. No grant award made to the Metropolitan Council may supplant the 50 percent state share of the non-federal operating subsidy for light rail and commuter rail operations.
5. No grant award shall be made for operating costs of a transitway (except for the Hiawatha Light Rail Project, the Northstar Commuter Rail Project, Cedar Avenue Bus Rapid Transit Project, and the I-35W Bus Rapid Transit Project from downtown Minneapolis south) unless the Board has previously awarded a grant for the capital costs of the transitway project.
6. Any grant awards made to an eligible county that joins the Board after July 1, 2008, shall be made only for purposes of paying that eligible county's obligation set forth in Article II.4 of the Joint Powers Agreement, until such time as said obligation has been satisfied.
7. All grants for capital dollars require a local match of at least 10 percent of the total cost of the project for which grant funding is requested. The match must be a capital contribution and may include project-related real property. If the applicant is a county, county regional railroad authority, or city, the match shall not include funds provided by Metropolitan Council, the State of Minnesota or the federal government. If the applicant is the Metropolitan Council, the match shall not include funds provided by the federal government or local government.
8. Documented local expenditures relating to a proposed grant project made in the year of grant application may count as a local match if:
 - a. the expenditure would otherwise qualify as a local match pursuant to Part 9 of the Transit Investment Framework; and
 - b. the expenditure is needed to avoid delaying the grant project or jeopardizing other funding sources; and
 - c. the Board approves the expenditure as a qualified local match by resolution.

Approval of the expenditure as a qualified local match does not obligate the Board to award a grant.

9. If an applicant intends to use federal funding for a grant project, the applicant's expenditures that qualify as a local match for CTIB funding should also meet federal requirements for local matching funds, if feasible.
10. In accordance with Joint Powers Agreement Article VII.2.H, each county shall be awarded annual grants of at least one percent of the estimated total sales tax proceeds for the calendar years 2009, 2010 and 2011. This type of grant shall be awarded only if a county does not receive a grant for transitway capital or operating costs in the amount of at least one percent of the estimated annual total sales tax proceeds. For the years of 2010 through 2013, Washington County shall be eligible for grants of at least three percent of estimated total annual sales tax proceeds. All grants awarded pursuant to this eligibility criterion are subject to the 10 percent local matching requirement set forth in criterion seven above. Additionally, such grants will receive priority funding, will be reviewed by the GEARS Committee, and must be consistent with the current Metropolitan Council Transportation Policy Plan. Notwithstanding the above listed eligibility criteria, a grant application submitted by a county pursuant to this paragraph must be for a transit purpose specified in Minnesota Statute §297A.992, subd. 6, and may include express bus service within the definition of transitways.
11. For member counties whose proportion of the annual sales tax revenue is less than or equal to three percent, grant awards for the years 2009, 2010 and 2011 shall be the greater of one percent of the total estimated annual sales tax proceeds or the minimum guarantee amount of the amount of sales tax revenue collected in that county, as set forth in Minn. Statute §297A.992, subd. 6.
12. Grant funding will be available for the following types of projects:
 - a. Capital costs, including preliminary engineering, final design, right-of-way acquisition, rolling stock, equipment and construction of transitways.
 - b. Operating subsidies for transitways.
13. No grant will be awarded for studies, including alternative analyses. Projects undertaking preliminary engineering or final design will be eligible for a grant, provided an alternatives analysis has been completed for the transitway corridor.
14. For projects that cross jurisdictions, resolutions of project support from each county or county regional railroad authority is required to accompany the grant application.

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EXHIBIT B:
TRANSITWAY BRIEFS

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Bottineau Corridor

Hennepin County Regional Railroad Authority

Project at a glance

Current status:
Scoping DEIS stage

Preferred mode: Policy Advisory Committee has recommended Light Rail Transit as the preferred mode

New Starts or Non-New Starts:
New Starts

Cities served: Brooklyn Park, Crystal, Golden Valley, Maple Grove, Minneapolis, New Hope, Osseo, Robbinsdale

Length of transitway:
12 to 13 miles

Number of stations served:
11 to 12

Annual number of rides:
8,500,000

Total estimated cost:
\$879,275,000 to \$976,507,000

Timeline/Phases

2011- 2012: Draft Environmental Impact Statement

2013 - 2014:
Preliminary Engineering

2015 - 2016: Final Design

2016-2018: Construction

2019: Start of Operations

Bottineau Corridor supports jobs in the corridor

- Total study area population 571,250 (year 2000), 728,200 (projected 2030) an increase of 156,950 people (27% increase).
- Total study area employment 385,200 (year 2000), 481,450 (projected 2030) an increase of 96,250 jobs (25% increase).
- Strong commuter destination anchors on both ends of the corridor. Reverse commute employment served is estimated alternative.

A good investment

- The Bottineau Transitway construction could generate 7,000 jobs (with one job defined as employment for one person for one year).
- Significant growth in traffic volumes and congestion is expected for study area roadways including the I-94 corridor. Up to 130,000 more vehicles per day (a 57% increase over existing volumes) is expected on study area roadways west of Maple Grove.
- The most promising transitway alternatives have the potential to reduce congestion and provide a viable travel option with travel time savings of more than 3,200 hours per day.

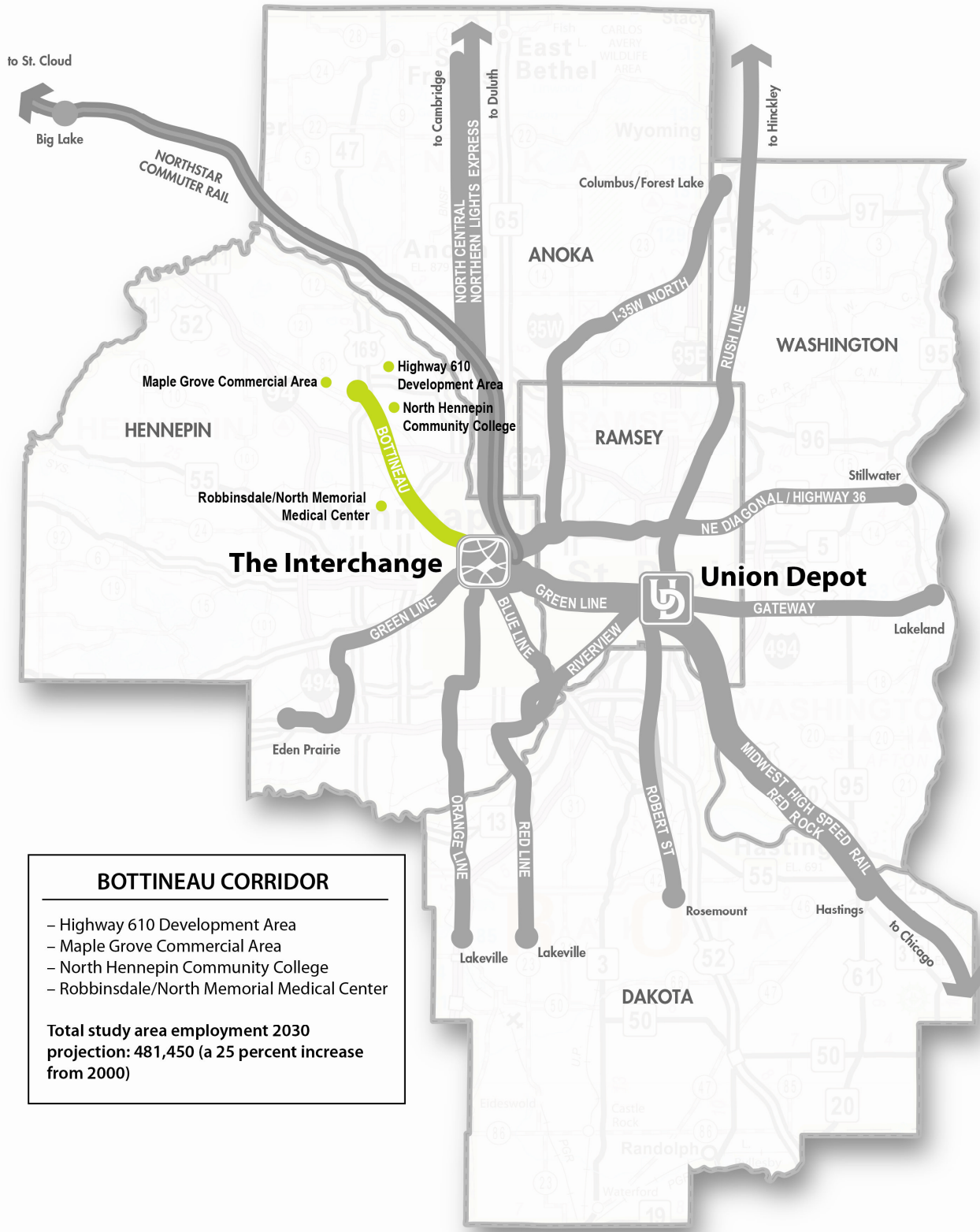
“Wells Fargo is encouraged to see the Bottineau Corridor move into its next phase of study. Transportation investments, including transit, are critical to our region's ability to compete into the future. A quality transportation system allows businesses to move goods to market and people to their jobs safely and efficiently.”

Wells Fargo Bank

Ellen McInnis, Director, Minnesota Government Relations

Map of corridor on reverse side.

Counties Transit Improvement Board Centers of Activity / Employment



BOTTINEAU CORRIDOR

- Highway 610 Development Area
- Maple Grove Commercial Area
- North Hennepin Community College
- Robbinsdale/North Memorial Medical Center

Total study area employment 2030 projection: 481,450 (a 25 percent increase from 2000)



Cedar Avenue Bus Rapid Transit (Red Line)

Dakota County

Project at a glance

Current status:

Construction. Red Line passenger service will begin in mid-2013.

Mode: Bus Rapid Transit

New Starts or Non-New Starts: Non-New Starts

Cities served: Apple Valley, Bloomington, Eagan, Lakeville, Minneapolis

Length of transitway: 16 miles

Number of stations served: 13

Annual number of rides: 5,430,000 (2030)

Total estimated cost: \$283,000,000

Timeline/Stages

2009-2012: Stage I

2012-2020: Stage II

2020-2030: Stage III

The METRO Red Line is the station-to-station service component of the Cedar Avenue Bus Rapid Transit corridor, which also provides express service to downtown Minneapolis and the University of Minnesota. Station to Station service between the Apple Valley Transit Station and the Mall of America will begin by the end of June 2013. The METRO Red Line is expected to promote new development and redevelopment, such as the 400,000 square foot outlet mall proposed adjacent to the Cedar Grove station in Eagan.

Cedar Avenue supports jobs in the corridor

- Cedar Avenue bus rapid transit services provide employees a reliable connection to jobs in the South Metro at both large and small employers.
- Through transit, employers expand their hiring pool by using transit services to access a larger talent pool.
- By using transit, commuters can lower their household transportation costs especially if their employers provide a transit incentive program like reduced transit passes.

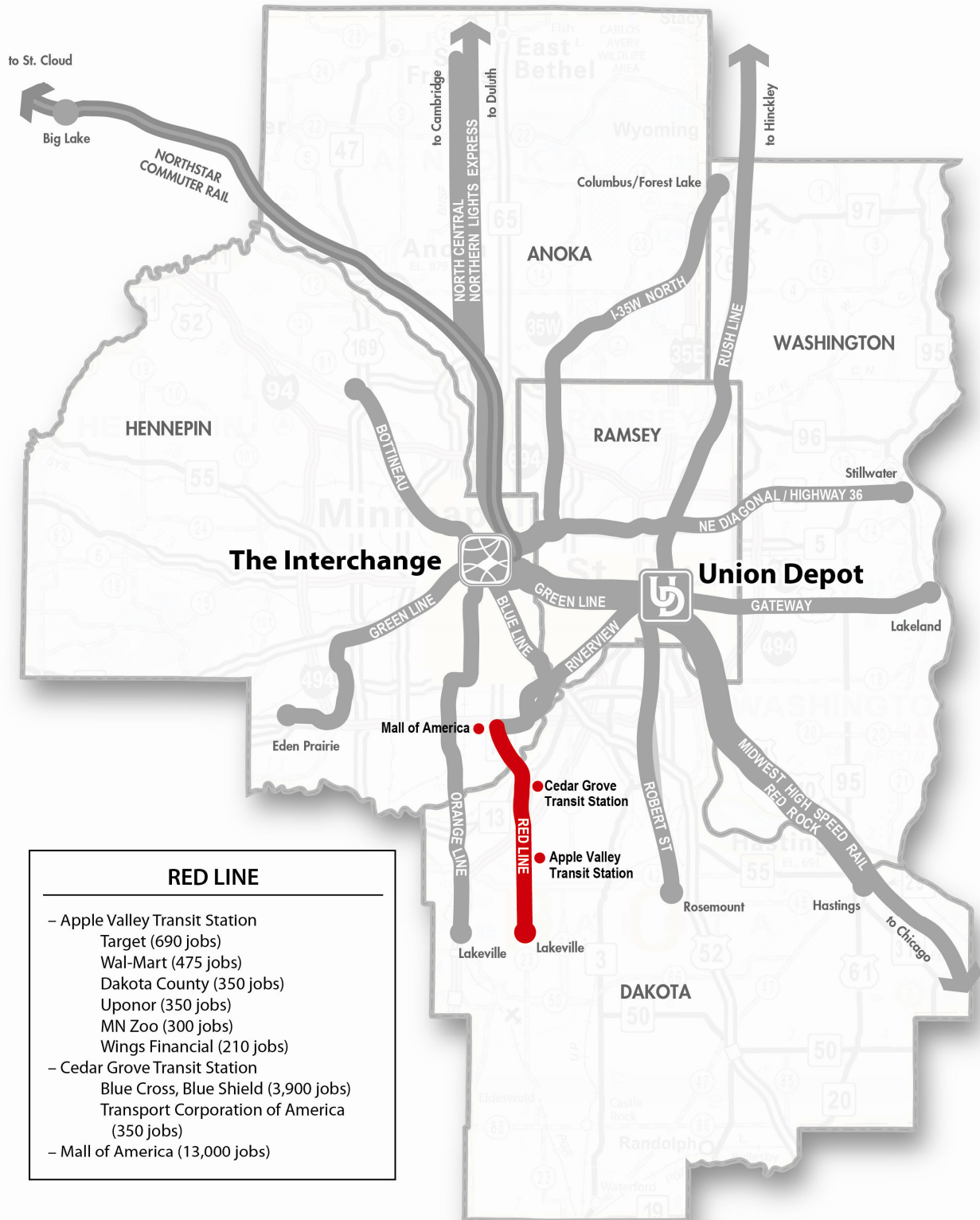
A good investment

- Currently, traffic volumes exceed 100,000 vehicles a day at the Minnesota River Bridge with peak-hour congestion extending seven miles south to County Highway 42 in Apple Valley.
- Existing daily traffic volumes at County Road 42 and Cedar Avenue in Apple Valley (70,000 vehicles per day) make it the busiest at-grade intersection in Dakota County and one of the busiest at-grade intersections in the state.
- The average travel speeds along the Apple Valley and Lakeville portions of the corridor range between 19 and 35 mph in 2006. By 2030, average travel speeds would decrease to 12 to 24 mph if no improvements were made in the corridor.

“The Apple Valley Chamber, representing the overall business community, is excited for the new transit options in our community. After more than four years of local businesses working together with the county, city and state, we are proud to see our joint efforts succeed. We will have a true community asset for customers, employees, students and all citizens. Our community is better connected to the future and to every metro city due to this project. We are very proud that community leaders were able to combine their leadership vision with local business voices in order to help Apple Valley earn recognition as the “Best Place to Live” in the US (CNN/Money July 2010).”

-- Edward Kearney, President
Apple Valley Chamber of Commerce

Counties Transit Improvement Board Centers of Activity / Employment





Central Corridor LRT (Green Line)

Metropolitan Council

The Central Corridor Light Rail Transit line will begin to operate as the Green Line in 2014 serving 18 new stations, plus five stations shared with the Hiawatha Line in downtown Minneapolis. Travel time will be approximately 43 minutes between Union Depot in St. Paul and Target Field Station in Minneapolis. Weekday ridership is forecasted to be nearly 41,000 in 2030.

Construction is 84% complete as of October 2012. Once complete, the Green Line will become the second LRT line for the region's transitway network which includes the Blue Line (Hiawatha LRT), Northstar Commuter Rail and Bus Rapid Transit.

Central Corridor creates jobs in the corridor

- The Central Corridor Light Rail Transit project has created 4,455, construction jobs for workers from 47 counties across the state, and will create 175 permanent operations and maintenance jobs.

Building on a good investment

- A \$1.2 million marketing campaign that started in Summer 2012 will continue to promote businesses along the corridor through Spring 2014.
- Over 50 commercial/retail and housing developments creating over 820,000 square feet of commercial/retail space and more than 7,400 housing units have been recently completed, are underway or are being planned along the Central Corridor light rail line.

"I am particularly pleased that the development community is working with us to produce affordable housing, living wage jobs and opportunities for small businesses to locate and grow on the Green Line. Together we are meeting our commitment to strengthening the neighborhoods along the line for the people who live and work there today as well as those who will be attracted by the benefits of a regional transit system."

Chris Coleman
Mayor, City of Saint Paul

"Our new transit options, including the Green Line, are helping Minneapolis regain the population that we lost when we tore up streetcars to build freeways. Expect to see a lot more development along the Green Line, which is great news."

R.T. Rybak
Mayor, City of Minneapolis

"The project has helped keep people working amid an otherwise slow economic period. The Green Line has provided employment opportunities and will continue to do so into the latter part of this decade."

Harry Melander
President of the Minnesota State Building & Construction Trades Council

Project at a glance

Current status: Construction

Mode: Light Rail Transit

New Starts or Non-New Starts:
New Starts

Cities served:
Minneapolis, St. Paul

Length of transitway: 10.9 miles

Number of stations served: 23
(5 shared with Hiawatha Light Rail Transit)

Annual number of rides:
13,550,000 (2030)

Total estimated cost:
\$956,900,000

Timeline/Phases

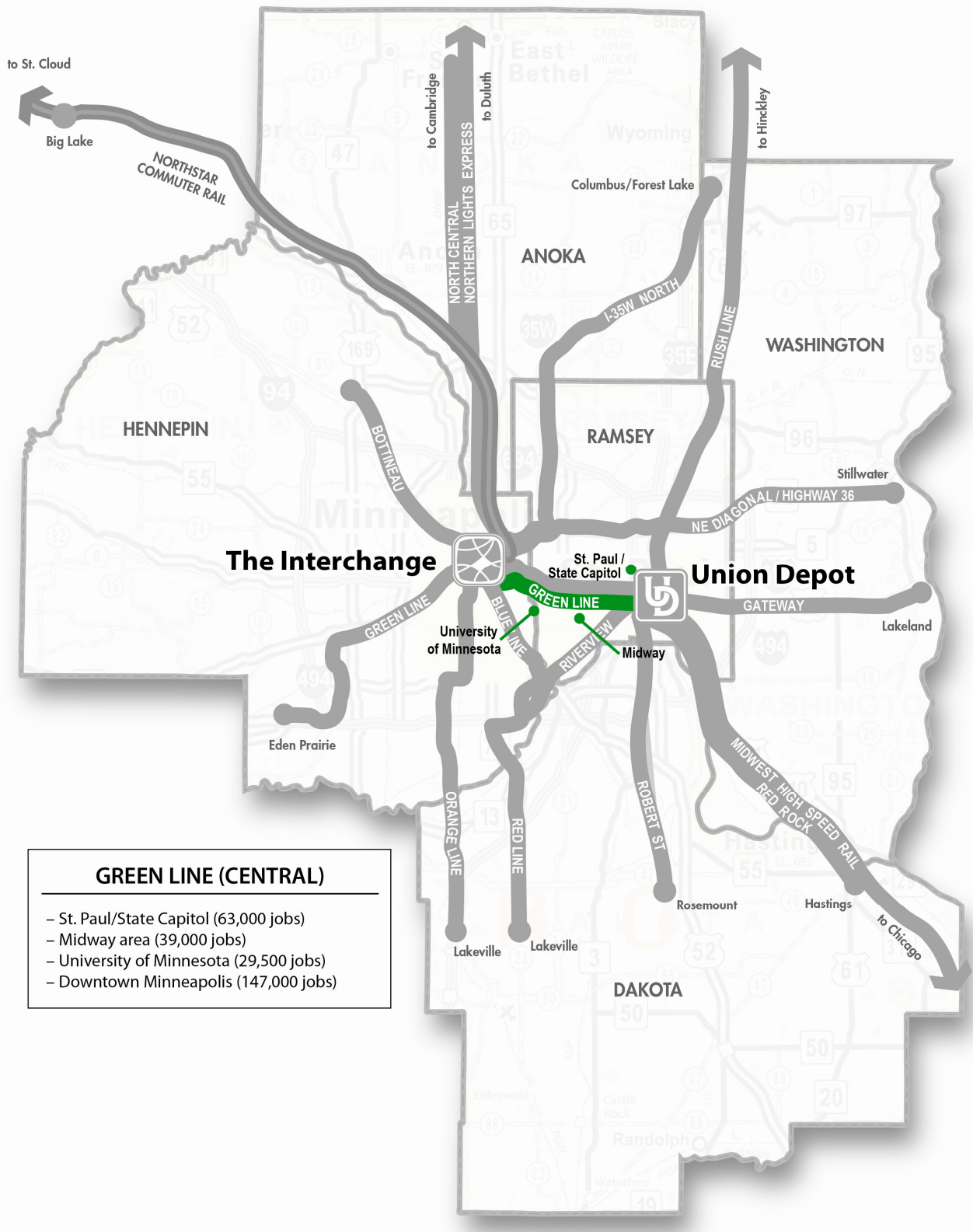
Spring 2011:
Full Funding Grant Agreement

2010-2012:
Civil Construction

2013-2014:
Systems construction, integration testing and pre-revenue testing

2014:
Begin Passenger Service

Counties Transit Improvement Board Centers of Activity / Employment



- GREEN LINE (CENTRAL)**
- St. Paul/State Capitol (63,000 jobs)
 - Midway area (39,000 jobs)
 - University of Minnesota (29,500 jobs)
 - Downtown Minneapolis (147,000 jobs)



Gateway Corridor

Washington County

Project at a glance

Current status:

Draft Environmental Impact Statement

Preferred mode:

LRT or BRT

New Starts or Non-New Starts:

New Starts

Cities served: Afton, Hudson, Lake Elmo, Lakeland, Maplewood, Minneapolis, Oakdale, St. Paul, West Lakeland Township, and Woodbury

Length of transitway:

12miles

Number of stations served:

10

Annual number of rides:

2,228,000 – 2,418,000 annual weekday riders

Total estimated transitway project cost:

\$404,000,000 to \$922,000,000

Timeline/Phases

2010-2012: Alternatives Analysis

2013 -2014: Environmental Impact Statement

2014- 2015: Preliminary Engineering

2016: Final Design

2017-2020: Construction

2021: Start of Operations

Overview

The Gateway Corridor follows Interstate 94 from the Union Depot in Saint Paul to the St. Croix River with connections to Minneapolis and into western Wisconsin. In 2009, the Gateway Corridor Commission was created to study and plan alternative transportation options along the Corridor. The Commission is comprised of the Rail Authorities of Ramsey and Washington Counties, the communities between St. Paul and the St. Croix River and representatives from Wisconsin and the business community.

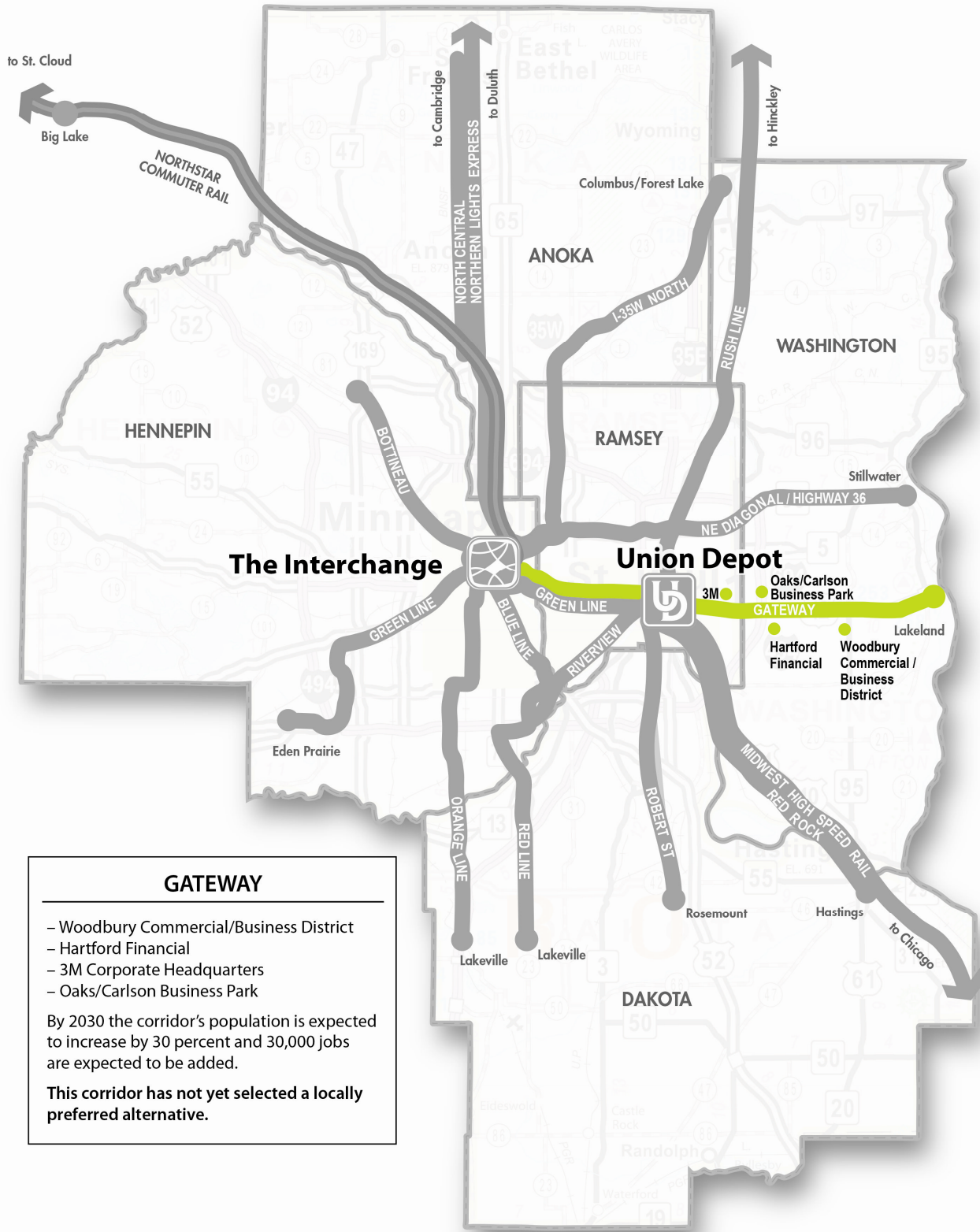
Alternatives

- In 2010, the Gateway Corridor Commission began an Alternatives Analysis Study to identify best transit option for the Gateway Corridor, which includes an analysis of estimated ridership, potential routes and estimated costs for construction and operation. In late 2012, the Commission selected either BRT or LRT along one alignment as the preferred alternative. The preferred alternative runs from Union Depot in downtown St. Paul east along Kellogg Boulevard, then southeast along Mounds Boulevard and then runs generally along Hudson Road east to Manning Avenue. The ten proposed station stops will provide connections to key destinations throughout the Corridor including Union Depot, Metro State University, Sun Ray Shopping Center, 3M and multiple commercial and job centers in the eastern suburbs.
- A Draft Environmental Impact Statement that investigates the environmental and community impacts of the preferred alternative will begin in spring 2013.

A good investment

- Almost 300,000 people live along the corridor, and nearly 90,000 vehicles cross the St. Croix River Bridge into the Gateway Corridor each day. By the time one reaches downtown St. Paul, the number of vehicles increases to 150,000.
- These current traffic levels on I-94 exceed the interstate's capacity.
- By 2030, the corridor's population is expected to grow by nearly 30 percent and more than 30,000 jobs are expected to be added to the corridor – adding more commuters to an already congested corridor.
- The Gateway Corridor also adds regional balance to the Twin Cities hub-and-spoke transit system – allowing commuters from the east metro to travel to downtown St. Paul and Minneapolis, with connections to other destinations in the metropolitan area.

Counties Transit Improvement Board Centers of Activity / Employment



GATEWAY

- Woodbury Commercial/Business District
- Hartford Financial
- 3M Corporate Headquarters
- Oaks/Carlson Business Park

By 2030 the corridor's population is expected to increase by 30 percent and 30,000 jobs are expected to be added.

This corridor has not yet selected a locally preferred alternative.



Hiawatha Light Rail Transit (Blue Line)

Serving Hennepin County

Project at a glance

Current status: Operational

Mode: Light Rail Transit

New Starts or Non-New Starts:
New Starts

Cities served: Minneapolis,
Bloomington

Length of transitway: 12 miles

Number of stations served: 19

Annual ridership: 10.4 million
annual rides, weekday average
ridership of 30,800

Total estimated cost: \$715.3M
New Starts initial construction;
\$100 M subsequent capital cost

Timeline/Phases

1982: Draft Environmental Impact
Statement

1982-1985: Final EIS

1998-2000: Preliminary
Engineering

2000-2001: Final Design

2001-2004: Construction

June 2004: Start of Operations

Hiawatha LRT supports jobs in downtown Minneapolis, Mall of America, Airport

- The Hiawatha LRT (Blue Line) links downtown Minneapolis and the Mall of America via the Minneapolis-St. Paul International Airport.
- Approximately 140,000 people work in downtown Minneapolis; the city has available less than half a parking space per employee.
- Work trips to downtown from Hiawatha station communities are expected to grow between 2000 and 2025.
- Hiawatha LRT improves single-family home values near the line and access to jobs for low-wage workers, according to the University of Minnesota Transitway Impacts Research Program.
- Hiawatha LRT connects to the Northstar commuter rail line, buses, skyways, and bike paths at the Minneapolis Interchange, providing links to higher education, medical facilities and more.

Operations

- The Hiawatha line was completed and has been operational since 2004, prior to the creation of CTIB.
- The Hiawatha line completed its eighth year of service in 2012. The average weekday ridership in 2012 exceeded projected ridership for 2020, with a yearly total of nearly 10.5 million rides.
- Ridership on the Hiawatha Light Rail Transit line represents approximately 13 percent of all Metro Transit rides.
- In 2012, the Hiawatha LRT recovered approximately 38 percent of its operating cost from fares, compared to a national peer system average of 30 percent.

Hiawatha Project Status and Timeline

- The Hiawatha line was completed in 2004.
- Hiawatha was extended to Target Field in 2009 to provide service to Target Field and the Northstar commuter rail line. This extension was funded as part of the Northstar project.
- The Hiawatha line cost \$715.3M to construct initially. Due in part to higher-than anticipated demand, over \$100 million in large capital improvements have been made since completion of initial construction. These include:
 - 31st Street Park-and-Ride (Lake Street Station)
 - 28th Avenue Park-and-Ride
 - American Boulevard Station
 - Operating and Maintenance facility expansion
 - Rail system facility building
 - Three-car train station extensions
 - Three-car train sub-stations at Mall of America and Target Field
 - Three-car train light-rail vehicles purchased

Counties Transit Improvement Board Centers of Activity / Employment



BLUE LINE

- Mall of America (13,000 jobs)
- Minneapolis-St. Paul International Airport (150,000 jobs)
- Downtown Minneapolis (147,000 jobs)

I-35W Bus Rapid Transit (Orange Line)

Hennepin and Dakota Counties

Project at a glance

Current status:

Final Design and Construction

Mode: Bus Rapid Transit

New Starts or Non-New Starts:

Current improvements are Non-New Starts, future improvements may utilize Small Starts funding

Cities served: Bloomington, Burnsville, Lakeville, Minneapolis, Richfield

Length of transitway: 22 miles

Number of stations served: 8
(Not including downtown Minneapolis)

Annual number of rides:
8,000,000

Total estimated cost:
\$180,000,000

Timeline/Phases

September 2009:

Lakeville Bus Rapid Transit Express Service Expansion

December 2010:

First online station and Pre-Bus Rapid Transit Service Restructuring

2016:

Full Bus Rapid Transit Phase I

Future:

Additional stations, expanded station-to-station and express services

I-35W Bus Rapid Transit supports jobs in corridor

I-35W Bus Rapid Transit Corridor connects two of the most significant employment corridors in the region – nearly 150,000 people work in downtown Minneapolis and 100,000 jobs along the I-494 corridor.

A good investment

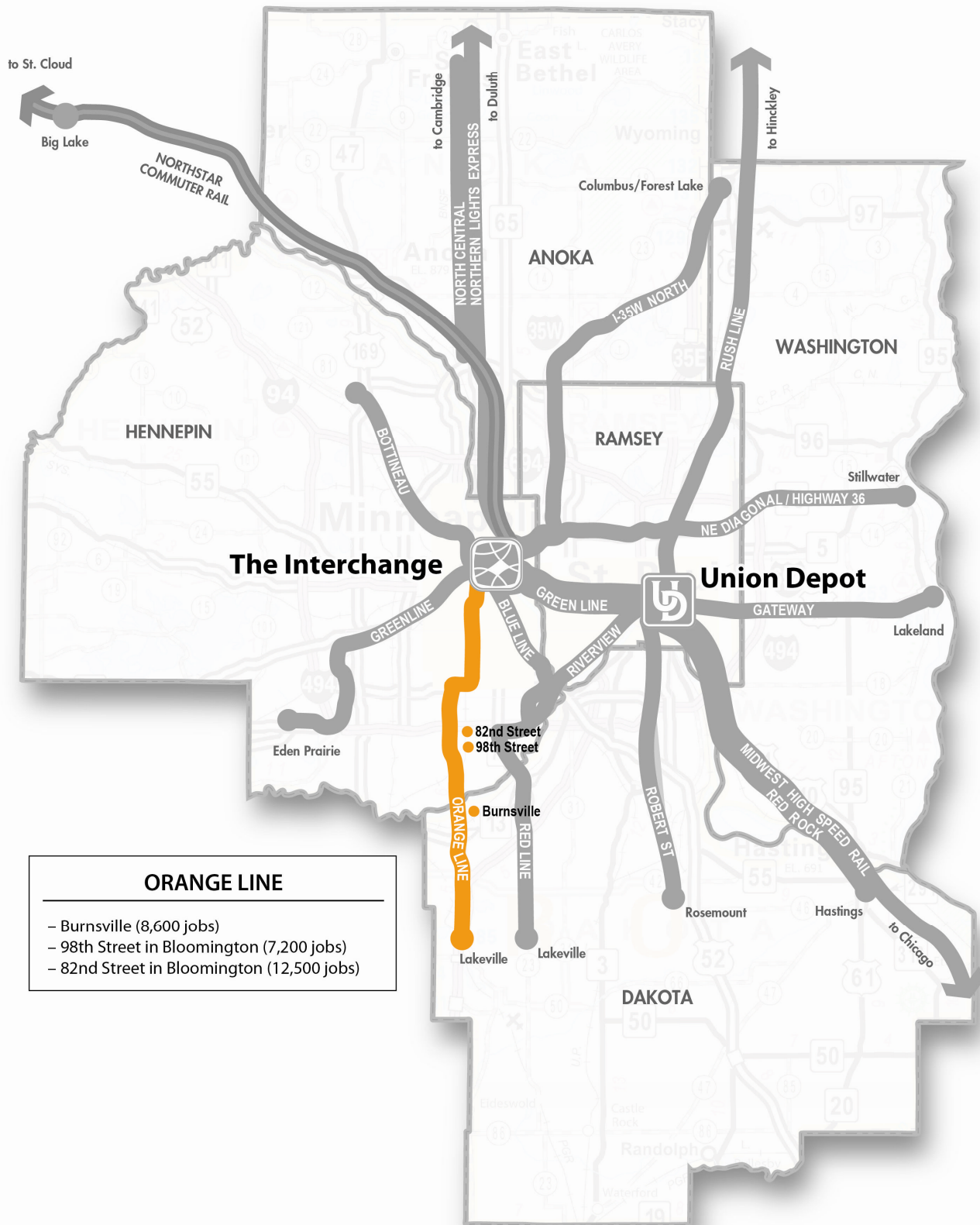
- I-35W corridor is the region's busiest commuter highway:
 - Average daily traffic volume of more than 190,000 vehicles, with high demand during peak travel hours;
 - 12,000 express bus riders use the corridor each weekday; and
 - Service restructuring for the new I-35W & 46th Street online station has increased ridership nearly 15 percent on restructured routes.
- BRT provides a frequent, flexible, predictable transit experience:
 - Station-to-station Bus Rapid Transit in the corridor improves all-day and reverse commute access for transit users;
 - Station-to-station Bus Rapid Transit in the corridor improves transit connections between communities along the corridor. Local bus routes will be reconfigured to serve online stations along I-35W;
 - Improvements to the I-35W corridor through the Urban Partnership Agreement project provide a congestion-free managed lane as an advantage for transit in the corridor; and
 - Station amenities will include real-time service information and additional passenger features.

"The prospect of Bus Rapid Transit has the potential to increase ridership and reduce congestion on I-494, I-35W, Highway 77, Highway 169 and Highway 212 by providing access to a regionally important central destination."

Scott County Association for Leadership and Efficiency (SCALE)

Map of corridor on reverse side.

Counties Transit Improvement Board Centers of Activity / Employment



ORANGE LINE

- Burnsville (8,600 jobs)
- 98th Street in Bloomington (7,200 jobs)
- 82nd Street in Bloomington (12,500 jobs)



Project at a glance

Current status:

Operational November 2009

Mode: Commuter Rail

New Starts or Non-New Starts:

New Starts

Cities served: Anoka, Big Lake, Coon Rapids, Elk River, Fridley, Minneapolis, Ramsey

Length of transitway: 40 miles

Number of stations served: 7

Anticipated annual ridership: 765,000

Total estimated cost: \$320.0M initial construction, \$14.4 M Fridley station and \$13.2 M Ramsey station

Service: 12 train trips per weekday and 6 trips per weekend day.

Future Phases

- Anoka Station improvements
- Phase 1 Additional Service

Duane Arens, director, Community and Economic Development, Connexus Energy –

"As someone responsible for economic development for a major employer in the Northstar Corridor, I'm excited about having commuter rail because it gives businesses in the area a competitive edge today and long into the future. It also will help manage congestion, which is only expected to get worse. Much of your electrical service relies on our ability to move trucks and equipment along Highway 10."

Northstar Corridor

Anoka, Hennepin and Sherburne Counties

Northstar supports jobs in downtown Minneapolis

- About 147,000 people work in downtown Minneapolis; the city has available less than half a parking space per employee.
- Work trips to downtown Minneapolis from Northstar station communities are expected to grow 73% between 2000 and 2025.
- Transit carries 40% of all work trips to downtown Minneapolis during rush hour.
- Northstar connects to the Hiawatha LRT, buses, skyways, and bike paths at the Interchange, providing links to higher education, medical facilities and more.

Northstar supports jobs in the corridor

- Construction of the Northstar Commuter Rail required 325,000 worker hours, 78 subcontractors and 69 suppliers.
- More than 60,000 jobs exist within ½ mile of boarding points in Anoka, Coon Rapids, Fridley and Minneapolis.
- St. Cloud offers a mix of employment, education and more, including a state college with 17,000 students and 1,450 faculty and staff.
- The new Ramsey Station investment of approximately \$13 million is leveraging \$80 million in residential, retail and other investments at The COR in Ramsey.

Northstar provides reliable service and saves time

- In 2011, Northstar's on-time performance exceeded 96% - even during the worst road conditions.
- Downtown commuters who switched from the bus to the train at the Elk River station saved 133 hours in 50 weeks!
- Northstar adds the equivalent of 1 ½ lanes of highway at peak travel times.

Property tax relief

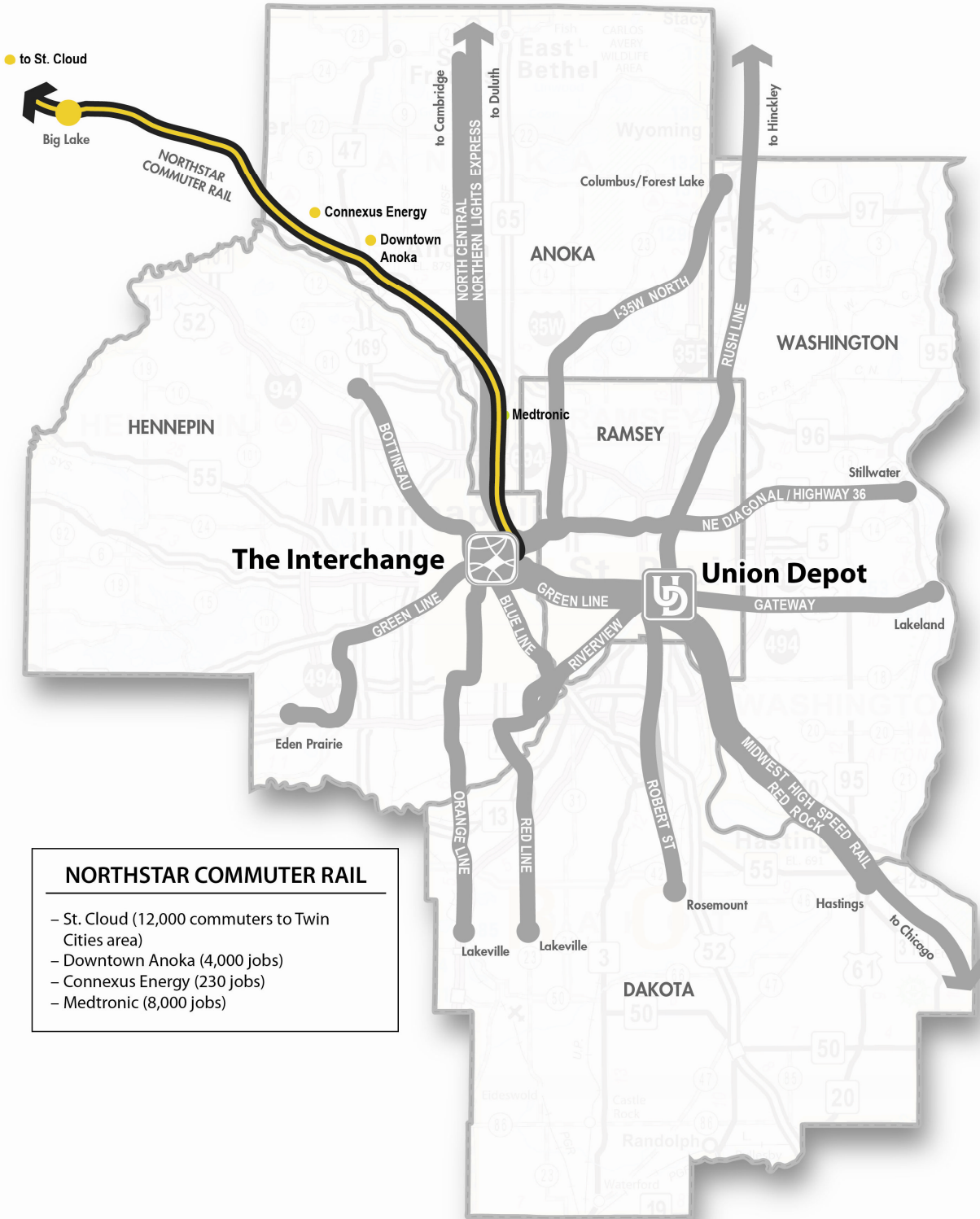
CTIB has provided operating grants totaling more than \$27 million, 2009-2013. CTIB covers 50% of annual operating costs for Northstar. Without CTIB, property taxes in Anoka and Hennepin Counties would have been responsible for that amount.

"Highway congestion makes it difficult for St. Cloud companies to conduct business in the Twin Cities metro area. We need the ability to move employees and students into St. Cloud, and freer highways will allow our companies to market their goods and services elsewhere. Finishing Northstar to St. Cloud will provide efficient and reliable transportation that will help the entire region."

Teresa Bohnen, President
St. Cloud Area Chamber of Commerce

Map of corridor on reverse side.

Counties Transit Improvement Board Centers of Activity / Employment





Red Rock Corridor

Hennepin, Ramsey and Washington Counties

Project at a glance

Current Status:

Extended Alternatives Analysis

Preferred mode:

Long term vision: Commuter Rail

New Starts or Non-New Starts:

New Starts

Cities served: Cottage Grove, Denmark Township, Hastings, Minneapolis, Newport, St. Paul, and St. Paul Park

Length of transitway: 30 miles

Number of stations served: 8

Annual number of rides:

425,000 annual weekday riders

Total estimated cost:

\$675,000,000 to \$720,000,000

Timeline/Phases

2009-2011: Station Area and Site Master Planning

2013: Alternatives Analysis Update

2014-2015: Environmental Impact Statement

2015-2016: Preliminary Engineering

2017: Final Design

2018-2020: Right-of-Way and Construction (Phase 1- Hastings to St. Paul Segment)

2021-2023: Right-of-Way and Construction (Phase 2 – St. Paul to Minneapolis Segment)

Overview

- The Red Rock Corridor is a 30-mile transitway that runs from Hastings, through downtown St. Paul to Minneapolis. The corridor includes Trunk Highway 61 and Interstate 94 and both the Canadian Pacific (CP) and BNSF Railroad Company rail lines with connections to the Union Depot in St. Paul and the Interchange in Minneapolis. The Alternatives Analysis (AA) completed in 2007 identified commuter rail as the long-term transit vision for the corridor.
- Conditions in the corridor and region have changed since the AA was completed and there is additional technical data available which may have an influence on the long-term vision of the Corridor. The goal of updating the AA is to create an implementation plan for short and long-term transit improvements in the corridor, including informing a locally preferred alternative (LPA) decision based on new information available.

Station Area Planning

- A station area planning study for the southeast stations of the Red Rock Corridor was completed in 2011.

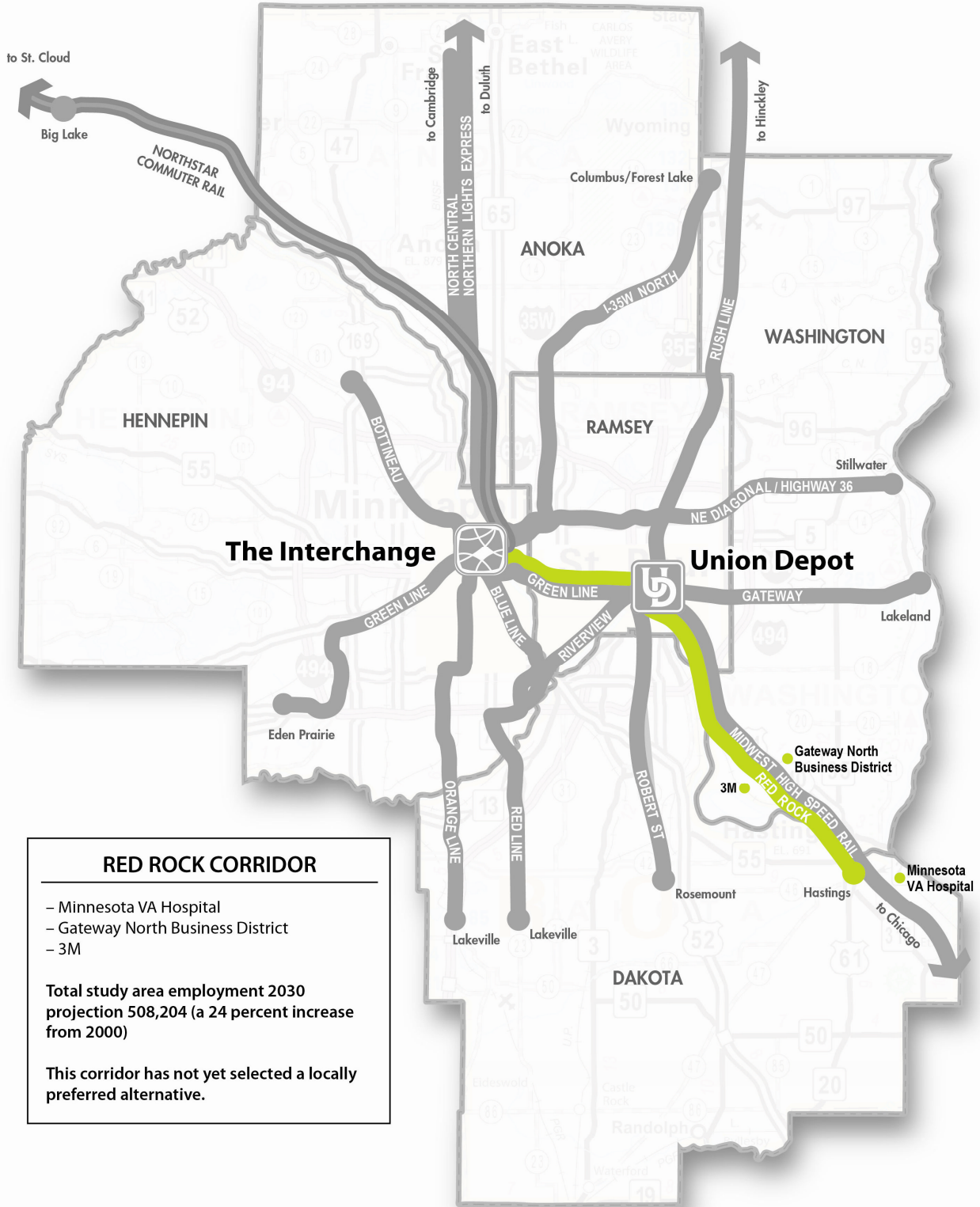
Newport Transit Station

- In 2010, the Washington County Regional Railroad Authority (WCRRRA) purchased the former Knox Lumber site near the intersection of U.S. Highway 61 and Interstate 494 for Newport's future Red Rock Corridor transit station. Preliminary design and engineering of the transit station was completed in 2012, with construction planned for 2013. Once open, the transit facility will initially be served by express bus service to downtown St. Paul.

A good investment

- The Corridor has seen recent population growth at a rate more than twice the state's average. In the next 20 years, the southeast sector of the metropolitan area is projected to add more than 100,000 new residents.
- The Corridor is the most viable transit option for the southeast metro, with connections to other transportation routes, including high-speed rail to Chicago and the Central Corridor Light Rail Transit Project.
- For daily commuters to downtown St. Paul and Minneapolis, the Red Rock Corridor will guarantee minimal transfers, allowing for a faster and more efficient ride.

Counties Transit Improvement Board Centers of Activity / Employment



RED ROCK CORRIDOR

- Minnesota VA Hospital
- Gateway North Business District
- 3M

Total study area employment 2030 projection 508,204 (a 24 percent increase from 2000)

This corridor has not yet selected a locally preferred alternative.



Rush Line Corridor

Ramsey and Washington Counties

Rush Line Corridor supports jobs in the corridor

- Total study area employment 190,000 (2000), 261,000 (projected 2030) an increase of 71,000 jobs.
- Corridor provides transit alternatives to major employment centers including Maplewood Mall, Beacon Bluff Business Center, St. John's Hospital, Buerkle Business Park, and Grand Casino Hinckley.

A good investment

- The 80 mile Rush Line Corridor begins at the Union Depot in St. Paul and generally follows Highway 61 and Interstate 35/35E north through Ramsey, Anoka, Washington, Chisago, and Pine Counties to Hinckley.

Alternatives Analysis

Completed in November 2009, the Rush Line Corridor Alternatives Analysis (available at www.rushline.org) analyzed multiple transit alternatives for the Corridor including commuter rail, bus rapid transit, and light rail transit. The results of the analysis show that the two highest scoring alternatives are:

- Bus rapid transit(BRT) on I-35E/35 from the Union Depot in downtown St. Paul to the Forest Lake area (a distance of 26 miles)
- Light rail transit (LRT) on the Ramsey County Regional Railroad Authority right-of-way from the Union Depot in downtown St. Paul to Highway 96 in White Bear Lake (a distance of 11 miles).

Following input from the public, the task force concluded that both alternatives should continue to be analyzed as part of an Advanced Alternatives Analysis (Advanced AA) to more accurately determine the impacts, benefits, costs, and ridership for each alternative. Following completion of environmental work a single alternative will be chosen.

In 2013, Washington County will purchase one-half mile of BNSF Railroad Company right-of-way along Highway 61 in the City of Hugo to support future Rush Line transitway development.

The Rush Line Corridor will continue to promote transit service in Chisago and Pine Counties to encourage a proactive approach to development that allows for extensions of the Corridor to the north as demands warrants.

Project at a glance

Current status:

Advanced Alternatives Analysis

Preferred mode:

Light Rail Transit and Bus Rapid Transit are proposed for additional analysis

New Starts or Non-New Starts:

New Starts

Cities served:

Centerville, Forest Lake, Gem Lake, Hugo, Lino Lakes, Little Canada, Maplewood, St. Paul, Vadnais Heights, White Bear Lake, White Bear Township. Cities along the Corridor north of initial terminus: Harris, Hinckley, North Branch, Pine City, Rock Creek, Rush City, Stacy, and Wyoming.

Length of transitway:

11 to 26 miles

Number of stations served:

10 to 11

Anticipated annual ridership:

1,560,000 to 2,640,000

Total estimated cost:

\$300,000,000 to \$600,000,000

Timeline/Phases

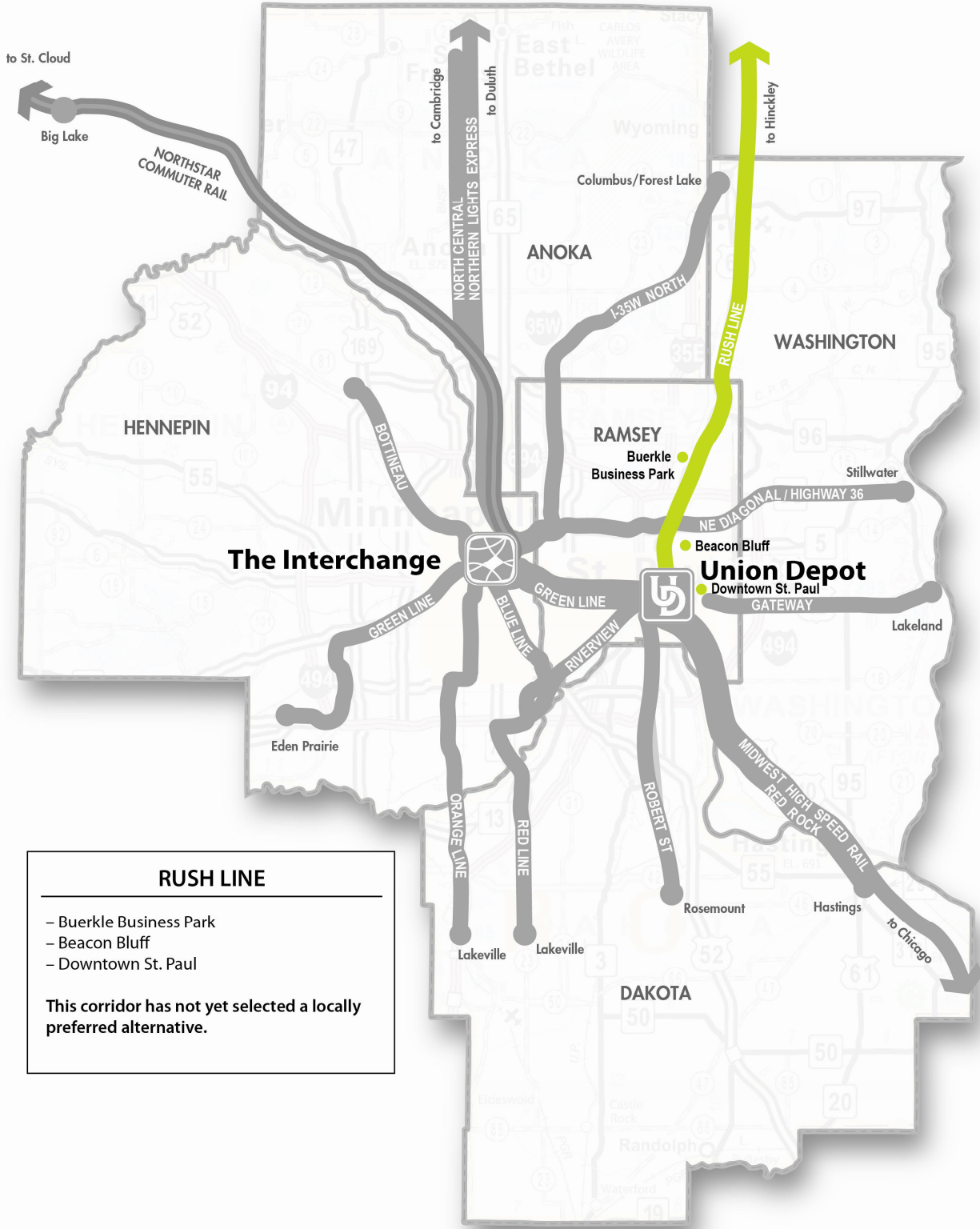
2013- 2014: Draft Environmental Impact Statement

2016-2017: Preliminary Engineering

2018: Final Design

2019-2022: Construction

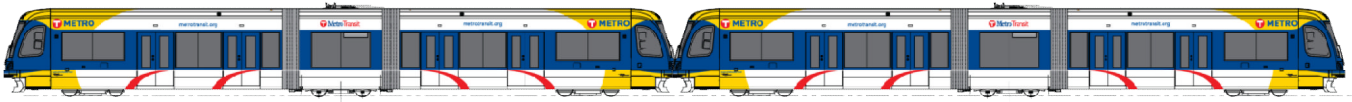
Counties Transit Improvement Board Centers of Activity / Employment



RUSH LINE

- Buerkle Business Park
- Beacon Bluff
- Downtown St. Paul

This corridor has not yet selected a locally preferred alternative.



Southwest Light Rail Transit (Green Line Extension)

Metropolitan Council

Project at a glance

Current Status:

Preliminary Engineering

Preferred mode:

Light Rail Transit

New Starts or Non-New Starts:

New Starts

Cities served:

Eden Prairie, Minnetonka, Hopkins, Edina, St. Louis Park, Minneapolis

Length of transitway:

15 miles

Number of stations served:

17

Anticipated annual ridership:

9,817,000 (2030)

Total estimated cost:

\$1,250,000,000

Timeline/Phases

2011-2014: Preliminary Engineering

2014-2015: Final Design

2014-2018: Construction

2018: Begin Passenger Service

Southwest Light Rail Transit (LRT) supports jobs in the corridor

- The Southwest LRT will connect to the Hiawatha and Central Corridor Light Rail Transit lines, the Northstar Commuter Rail line, and high-frequency bus routes in downtown Minneapolis, providing connections to the Minneapolis-St. Paul Airport, Mall of America, University of Minnesota, State Capitol and downtown St. Paul.
- The line will provide a new transportation option for the existing 210,000 employees who work in the corridor as well as 60,000 new jobs that are forecasted by 2030.
- UnitedHealth Group, the largest Fortune 500 company in Minnesota, is constructing a third campus at the planned City West Station. UnitedHealth's 6,600 employees will be part of the 60,000 new jobs that are forecast by 2030.

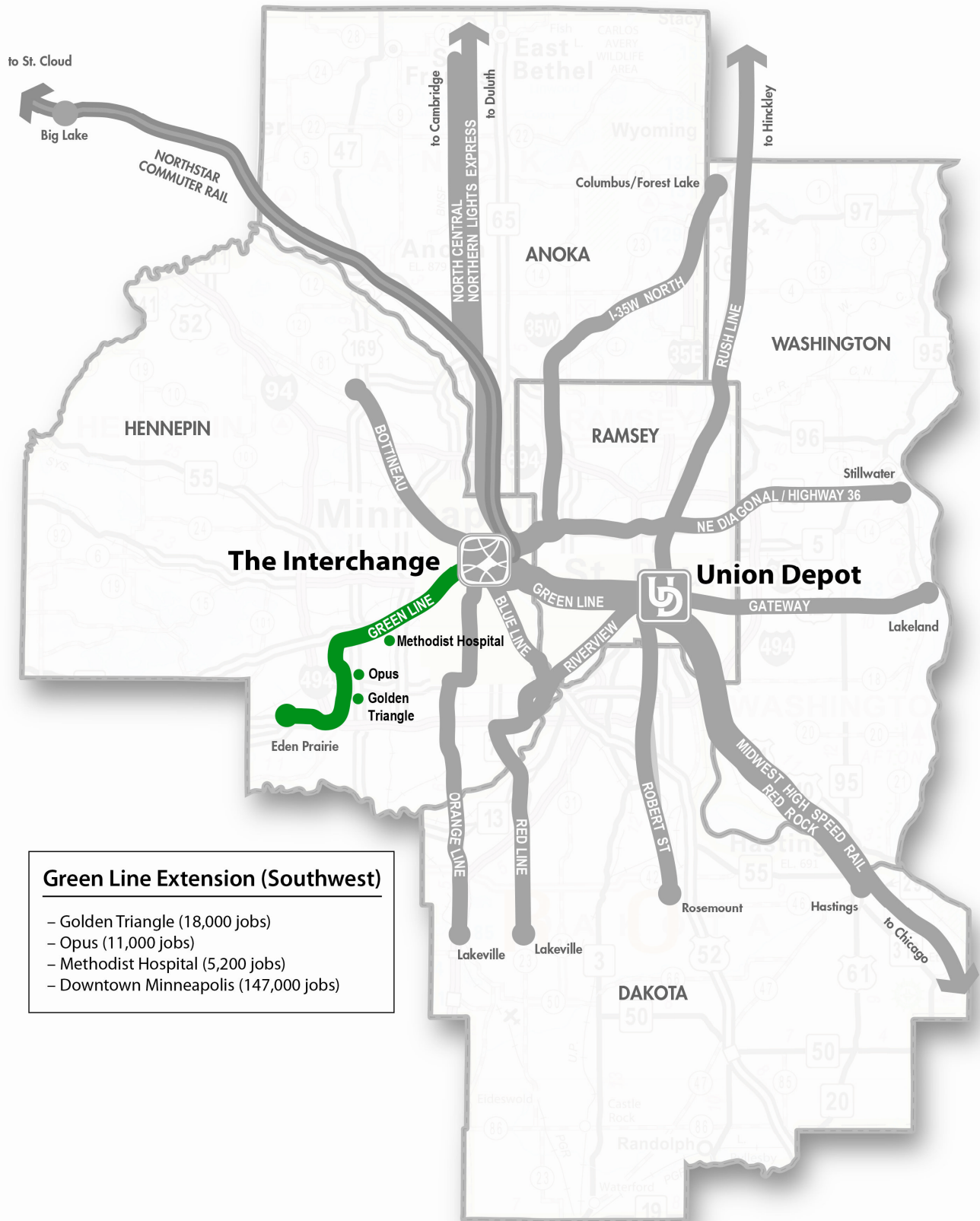
A good investment

- Ridership on the line is expected to be approximately 30,000 trips per weekday (2030).
- Local chambers of commerce representing southwest metro area businesses formed a business coalition called the Southwest Transitway Alliance to promote the development of a Southwest LRT line. Led by the TwinWest Chamber of Commerce and the Minneapolis Regional Chamber of Commerce, this coalition provides a unified business voice for the project.
- The line will connect major activity centers in the region including downtown Minneapolis, the Minneapolis Chain of Lakes, Methodist Hospital, the Opus/Golden Triangle employment area (the region's sixth-largest job center), and the Eden Prairie Center Mall.
- Delivery of Southwest LRT will create an estimated 150 design, engineering and management jobs, 3,500 construction jobs and 175 permanent operations and maintenance jobs.

"With more congestion and traffic, businesses would like to be able to help employees get to and from their jobs, and to help move products more quickly through the metro area. The public mind set has changed tremendously in the last few years--it's grown in support for a Southwest Light Rail Transit line."

-Dan Duffy, Duffy Architects

Counties Transit Improvement Board Centers of Activity / Employment



Green Line Extension (Southwest)

- Golden Triangle (18,000 jobs)
- Opus (11,000 jobs)
- Methodist Hospital (5,200 jobs)
- Downtown Minneapolis (147,000 jobs)