

Counties Transit Improvement Board Annual Legislative Report 2013

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COUNTIES ***Transit*** Improvement BOARD

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1.0 EXECUTIVE SUMMARY

The Counties Transit Improvement Board (“CTIB”) respectfully submits its Annual Legislative Report summarizing significant accomplishments during 2013. 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 managed by CTIB in 2013.

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 produce tangible results by focusing tax proceeds on construction.

CTIB SUPPORTED TRANSITWAY PROJECTS - \$536.97 MILLION INVESTMENT

CTIB’s goal is to accelerate transit development and catalyze economic 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 2013, CTIB has awarded more than half a billion dollars to ten transitway corridors:

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

Capital: \$384.28 million

Operating: \$140.92 million

Washington: \$11.77 million

2013 RESULTS

In 2013, CTIB provided \$29.41 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 2013 grants, CTIB awarded an additional \$42.83 million in grants for 2014 projects.

Transitway projects across the region achieved tangible results in 2013, with significant financial support from CTIB capital and operating grants.

- May: Hennepin County approved mode (LRT) and alignment recommendations for the Bottineau Transitway Project, and the Metropolitan Council's Transportation Policy Plan was amended accordingly, allowing the project to advance to the next phase of work.
- May: The Gateway Corridor began work on its Draft Environmental Impact Statement, a critical step in the federal environmental review process for major transitway projects.
- June: The state's first bus rapid transit line, METRO Red Line, opened for service along Cedar Avenue in Dakota County.
- November: The Newport Transit Center broke ground, bringing the Red Rock Corridor one step closer to fruition.
- Year-End: The new Northstar Ramsey Station contributed to a record 19% growth in weekday ridership for the state's first commuter rail line.
- Year-End: Construction on the Central Corridor light rail project (METRO Green Line) is drawing to a close. The Green Line will open for passenger service in mid-2014.

Map 1 on the following page represents the individual transitway corridors and transit stations supported by CTIB through capital and operating grants since 2008.

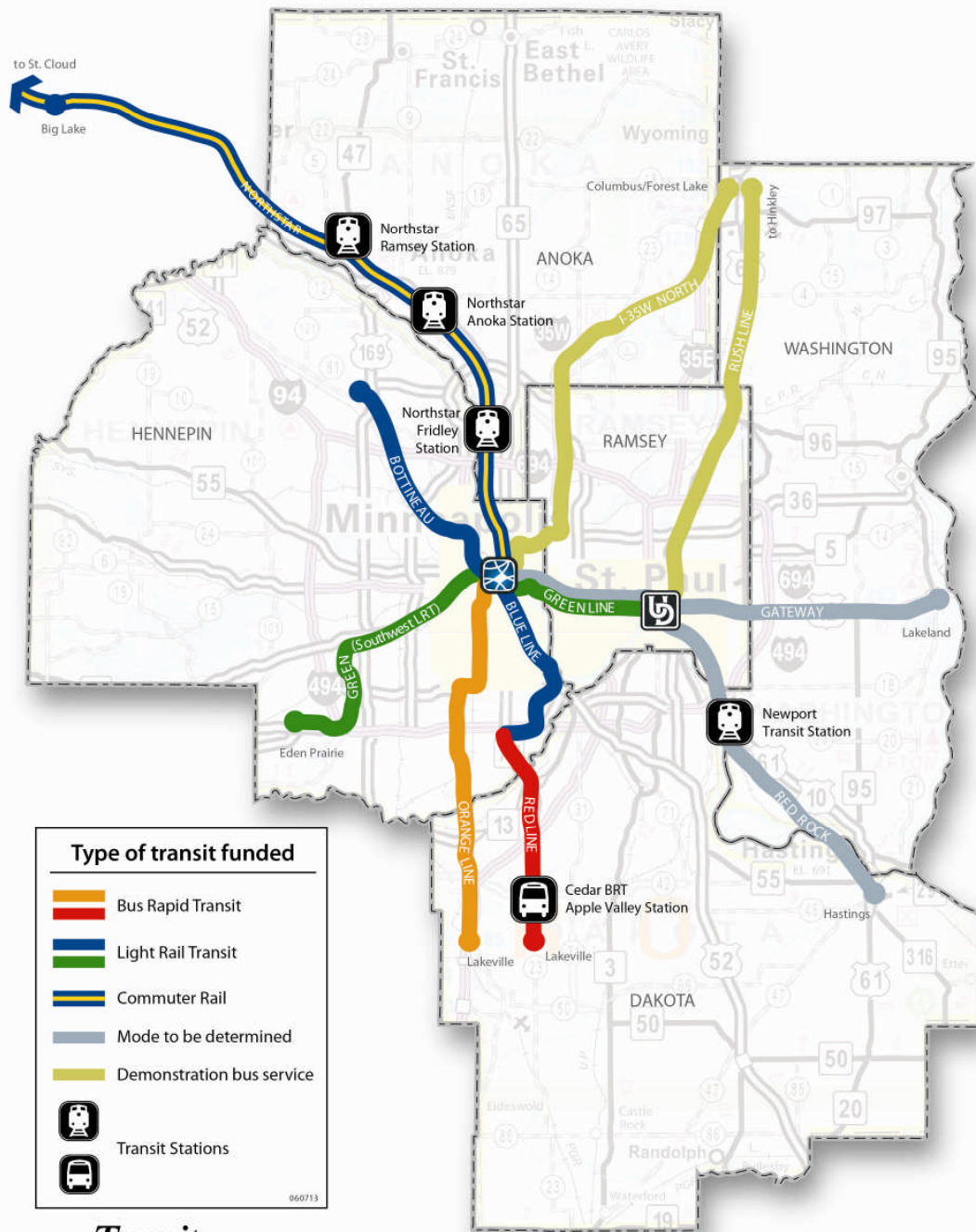
PROGRAM OF PROJECTS INVESTMENT STRATEGY

CTIB enlisted national expertise in 2013 to develop a Program of Projects Investment Strategy ("Investment Strategy"). The Investment Strategy is guided by CTIB's long-term vision for a regional network of connected transitways, as represented in **Map 2**.

The purpose of the Investment Strategy is to identify opportunities to accelerate the build-out of the transitway network, either by building more than one transitway at a time or by reducing regulatory timeframes for project completion. CTIB and county project sponsors worked together to develop a technical readiness and risk assessment framework to supplement the Investment Strategy so that projects qualify for funding when they are ready to spend it. This work helps the region put its best foot forward in the national competition for federal transit funding.

MAP 1

Counties Transit Improvement Board Grant Funded Projects 2008–2014



TOTAL INVESTMENT AMOUNT LEVERAGED BY CTIB GRANTS - \$1.43 BILLION

Since 2008, CTIB grants have generated a total investment of \$1.43 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 - \$95 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 – 2013, CTIB has provided \$95.05 million in property tax relief.

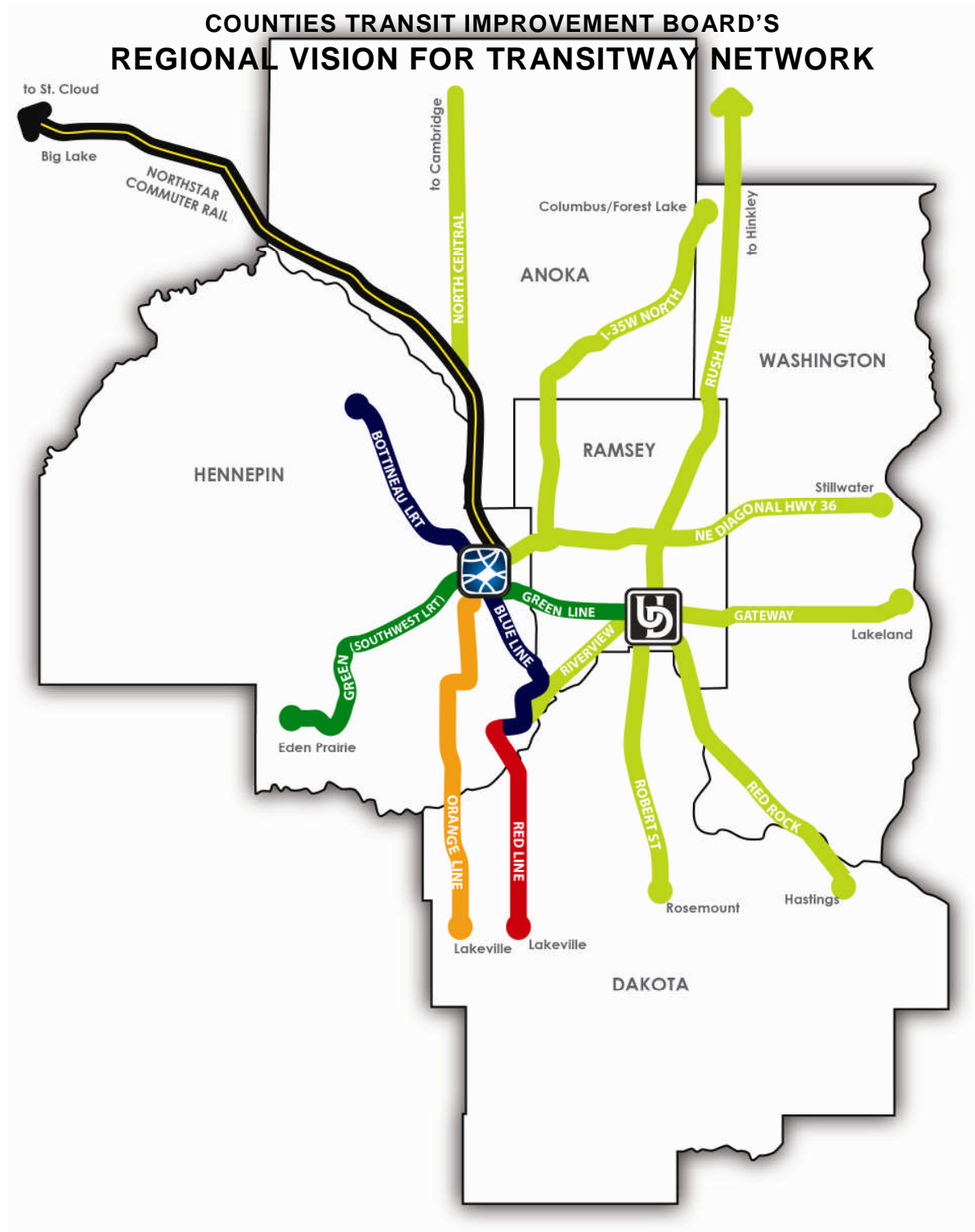
CTIB FUNDING COMMITMENTS FAST-TRACK TRANSIT DEVELOPMENT

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.

Under new federal legislation passed in 2012, Moving Ahead for Progress in the 21st Century (MAP-21), local sponsors of New Starts projects are required to provide funding commitments for each phase of work, before the federal government commits to its share of funding. This new federal requirement raises the bar for local financial support of projects in the early design and engineering phases. Non-federal funding partners take on a greater level of risk for early project development without certainty the project will receive a 50 percent federal match.

CTIB adopted new policies in 2012 and 2013 to increase its contributions to early stages of work to allow projects to proceed in the absence of a federal funding commitment. The new policies also allow projects to request a funding commitment from CTIB for up to a 60 percent share of the capital costs of the Project Development phase of work. The remaining 40 percent share comes from a combination of local and state funding sources.

MAP 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 – 2013, 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 - 2013 summarizes the history of CTIB grant awards from 2008 to 2013. Since its creation in 2008, CTIB has awarded \$537 million in grants to regional transitways for capital projects and operations.

Section 8 – Results from 2013 Grant Projects details results from capital and operating grant projects funded by CTIB in 2013.

Section 9 – Upcoming 2014 Grant Projects describes the grants awarded in 2013 for projects being implemented in 2014.

Section 10 - Conclusion provides contact information for CTIB.

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 Commissioners as representatives and one Commissioner as an alternate to the Counties Transit Improvement Board. On January 16, 2013, CTIB held its organizational meeting and elected its 2013 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 2013, the ex-officio GEARS representative to CTIB was Councilmember Ady Wickstrom from the City of Shoreview.

The 2013 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.

TABLE 1: 2013 COUNTIES TRANSIT IMPROVEMENT BOARD MEMBERS

Member Organization	Members	Alternate	Number of Votes
Anoka County	Commissioner Matt Look Commissioner Scott Schulte	Commissioner Carol LeDoux	10
Dakota County	Commissioner Paul Krause Commissioner Nancy Schouweiler	Commissioner Thomas A. Egan	13
Hennepin County	Commissioner Peter McLaughlin Commissioner Mike Opat	Commissioners Jan Callison Gail Dorfman	47
Ramsey County	Commissioner Jim McDonough Commissioner Rafael Ortega	Commissioners Mary Jo McGuire Victoria Reinhardt	16
Washington County	Commissioner Fran Miron Commissioner Lisa Weik	Commissioner Autumn Lehrke	7
Metropolitan Council	Chair Susan Haigh	Council Member Adam Duininick	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 2013 GEARS Committee elected Anoka County Commissioner Matt Look as Chair and Minneapolis Councilmember Robert Lilligren 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 as well. The 2013 GEARS Committee members are listed in Table 2.

TABLE 2: 2013 GEARS COMMITTEE MEMBERS

GEARS Member Allocated by Member Organization	County Representatives	Alternate	City Representatives
Anoka County	Commissioner Matt Look	Commissioner Scott Schulte	Mayor Scott Lund City of Fridley
Dakota County	Commissioner Thomas A. Egan		Councilmember Ruth Grendahl City of Apple Valley
Hennepin County	Commissioner Gail Dorfman	Commissioner Jan Callison	Mayor Jim Hovland City of Edina Councilmember Robert Lilligren City of Minneapolis Councilmember George Selman City of Robbinsdale
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 Ted Bearth	Mayor Mary Giuliani Stephens City of Woodbury
Metropolitan Council	Adam Duininick	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 network of connected transitways that acts as a catalyst for economic development, increased system-wide transit ridership and further transit expansion. Transitways supported by CTIB require substantial capital investment and a long-term commitment to service that lead to a sense of permanence and build community trust. The Board's investments will increase access to jobs, serve transit dependent populations, improve regional mobility and enhance transit service throughout the region. The Board is committed to accelerate the development of multiple transitways simultaneously to the extent feasible.

In 2013 CTIB began drafting revisions to the Framework in response to the Program of Projects Study and new federal transit legislation passed in 2012, Moving Ahead for Progress in the 21st Century (MAP-21). CTIB is using the findings from the Program of Projects Study to define the financial feasibility of building multiple transitways at once in order to achieve the twin goals of 1) accelerating the build-out of the region's vision for transit and 2) accelerating the benefits derived from a complete regional transit system. This revision process will extend into early 2014 and result in the identification of a Program of Projects Investment Strategy. The new Framework and Program of Projects Investment Strategy are expected to guide the 2014 grant solicitation.

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 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 grants. The 2013 Annual Financial Review and Capacity Estimate was adopted by CTIB on June 19, 2013.

Based on the findings in the Annual Financial Review and Capacity Estimate Report, CTIB determined that, for payable 2014 grants, it would make funding available through the annual grant solicitation in the amount of \$56 million for grants to meet its operating and capital funding commitments and up to \$56 million for discretionary capital grants to accelerate transitway development. Through resolution, the Board authorized a maximum total amount of \$114 million to be awarded for grants payable in 2014.

5.0 TRANSIT SALES TAX REVENUES RECEIVED

Minn. Statutes Section 297A.992 requires that CTIB's Annual Report to the Legislature specifically address the transit tax revenue received by CTIB since the enactment of the tax. Table 3 summarizes the transit tax receipts from 2008 through 2013.

TABLE 3: TRANSIT TAX RECEIPTS, 2008 - 2013

	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
2013	\$109,380,246	(\$1,043,990)	\$108,336,256

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 future CTIB capital grants. Parity obligations of CTIB will be supported by CTIB's sales tax collections. Under the terms of the 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. After adjusting to recognize the premium received, the note was issued at a true interest rate 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 2013 Administrative Budget funded by sales tax receipts included sales tax revenues in the maximum amount of \$742,500, based on budgeted sales tax receipts of \$99,000,000. The sales-tax funded portion of the 2013 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 Southwest LRT Project). This section summarizes current and past 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 \$95.05 million in property tax relief through grants awarded 2008 – 2013. In 2013, CTIB began providing operating assistance to the region's first bus rapid transit line, the METRO Red Line (Cedar Avenue). Additionally, CTIB will begin providing operating assistance to the region's next light rail, the METRO Green Line (Central Corridor), when it begins passenger service in mid-2014.

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 increased operating subsidy cost \$15,086,387. On July 1, 2013, CTIB's share of transitway new operating costs returned 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, CTIB 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. In total, CTIB provided grants in the amount of \$283,950,000 for the project. CTIB completed this funding commitment in 2012, and the line is anticipated to open for passenger service in mid-2014 as the METRO Green Line.
- **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, and the line opened for passenger service in June 2013 as the METRO Red Line.
- **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:** In 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. To date, a total of \$50.32 in grant funding has been awarded to the project. This funding commitment is currently anticipated to be fulfilled through the 2014 grant solicitation.

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 until the project starts construction, local partners are responsible for making projects ready for construction by funding all environmental reviews, design, engineering and route analyses. Because CTIB has a reliable, dedicated source of funding for its commitments (the transit sales tax), 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. In addition to committing to pay 30 percent of total capital costs, CTIB has assumed the early risk in project development by providing up to 60 percent of early costs for the project development and engineering phases of work.. 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 intended outcome of these special guaranteed grants 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 transitways. The fourth and final three percent guaranteed grant was awarded in 2012 (payable in 2013).

\$11.77 million
guaranteed to
Washington
County

Since 2008, the total amount of funding awarded to Washington County projects through the one percent and three percent 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 - 2013

The following table provides a summary of the Counties Transit Improvement Board grants awarded from 2008 through 2013. 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, totaling \$537.97 million.

TABLE 4: SUMMARY OF GRANTS AWARDED

Transitway		Grants Awarded^						
		(in millions)						
		2008	2009	2010	2011	2012	2013	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	-	\$17.56	\$50.32
	Total Capital	\$30.23	\$76.24	\$132.77	\$122.24	\$5.24	\$17.56	\$384.28
Operating Grants	Cedar Avenue BRT	\$0.02	\$0.17	\$0.31	\$0.48	\$1.48	\$1.84	\$4.30
	Central Corridor LRT	-	-	-	-	-	\$7.53	\$7.53
	Hiawatha LRT	\$7.48	\$7.30	\$7.31	\$8.49	\$9.18	\$9.21	\$48.97
	I-35W South BRT	\$0.06	\$0.11	\$0.15	\$0.11	\$0.12	\$0.13	\$0.69
	Northstar Commuter	\$3.29	\$5.73	\$5.71	\$5.98	\$6.30	\$6.56	\$33.56
	Metropolitan Council*	\$30.78	-	-	\$10.90	\$4.18	-	\$45.87
	Total Operating	\$41.64	\$13.29	\$13.49	\$25.96	\$21.26	\$25.27	\$140.92
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	\$42.83	\$536.97

*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 supported 2013 transitway operations.

8.0 RESULTS FROM 2013 GRANT PROJECTS

At the close of 2012, the Counties Transit Improvement Board awarded by unanimous vote three capital grants and four operating grants (payable in 2013). Additionally, three other capital projects continued project development and construction activities using CTIB grant funds awarded in previous years. The results from these ten grant-funded projects are detailed on the following pages.

Six capital grant projects advanced in 2013: the Bottineau LRT, Cedar Avenue BRT (METRO Red Line), Central Corridor LRT (METRO Green Line), I-35W South BRT, the Northstar Commuter Rail Anoka Station enhancements, and Southwest LRT. (Southwest LRT project activities in 2013 were supported through a multi-year grant agreement using funds awarded in 2011 and disbursed in 2012 and 2013.)

Transit service in four transitway corridors received assistance from CTIB in 2013: METRO Red Line (Cedar Avenue BRT), Cedar Avenue BRT Express Service, METRO Blue Line (Hiawatha LRT), I-35W South BRT Express Service, and the 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 \$4.2 million for operating grants awarded in 2012 for 2013 operations.

Finally, Washington County was eligible in 2013 for the last three percent guaranteed grant, in an amount of \$2.91 million. These grant funds were placed in reserve for future use by Washington County.

BOTTINEAU LIGHT RAIL TRANSIT (METRO BLUE LINE EXTENSION)

2013 CAPITAL GRANT AMOUNT: \$2,400,000

The Bottineau Light Rail Transit line (Blue Line extension) will serve the highly traveled northwest area of the Twin Cities. Bottineau LRT is located in Hennepin County, Minnesota, extending approximately 13 miles from downtown Minneapolis to the northwest serving North Minneapolis and the suburbs of Golden Valley, Robbinsdale, Crystal, and Brooklyn Park. The Bottineau LRT investment is anticipated to serve a broader area to the northwest, including the communities of Dayton and Rogers.

CTIB awarded a capital grant in the amount of \$2,400,000 to support the Project Development phase of work. This grant is matched by \$1,600,000 in funding from the Hennepin County Regional Railroad Authority.

Key Accomplishments in 2013 Include:

- January 2013. Draft Environmental Impact Statement (EIS) was submitted to the Federal Transit Administration (FTA) for review.
- February 2013. Bottineau Corridor Land Use Pre-Planning for all station locations along the Bottineau LRT line was completed and documented. An existing conditions analysis (including assembly of existing infrastructure data bases) and identification of areas of change and stability for the station areas has been facilitated by Hennepin County in close collaboration with Bottineau Corridor Cities. The Land Use Pre-Planning work provides valuable baseline information for subsequent station area planning efforts.
- March 2013. Theodore Wirth Park Forum, a multi-day collaborative visioning process organized by the Minneapolis Park and Recreation Board (MPRB) and Hennepin County, was held. A multi-discipline consulting design team gathered and utilized stakeholder input to explore possible connections between Theodore Wirth Regional Park and near-by Bottineau LRT station options.
- May 2013. The Bottineau Transitway Alternatives Analysis process was completed, culminating in a recommendation of a locally preferred alternative (LPA) by the Hennepin County Regional Railroad Authority and the adoption of the LPA into the Metropolitan Council's Transportation Policy Plan.
- Summer 2013. Bottineau LRT promotional and flyover simulation videos were developed to communicate the benefits of and corridor stakeholder support for the Bottineau LRT line. The Bottineau LRT flyover simulation video visually communicates the attributes of the Bottineau LRT concept and its relationship with surrounding communities.



Figure 1: Theodore Wirth Park Forum

- Fall 2013. Station area planning underway for the two Minneapolis station areas along Olson Highway (Van White Boulevard and Penn Avenue) and the two Golden Valley station area options (near Plymouth Avenue and at Golden Valley Road). These station area planning efforts are being closely coordinated with the Cities of Minneapolis and Golden Valley. These planning efforts also benefited from public input gained at roundtable events held in August 2013.
- December 2013. Draft EIS entered into the last stage of FTA review needed before publishing the document for public comment. Draft EIS publication and the start of a public review and comment period are both expected in the second quarter of 2014.
- December 2013. The Bottineau Transitway Health Impact Assessment (HIA) was completed and published. These recommendations will inform Bottineau LRT project development and station area planning efforts.

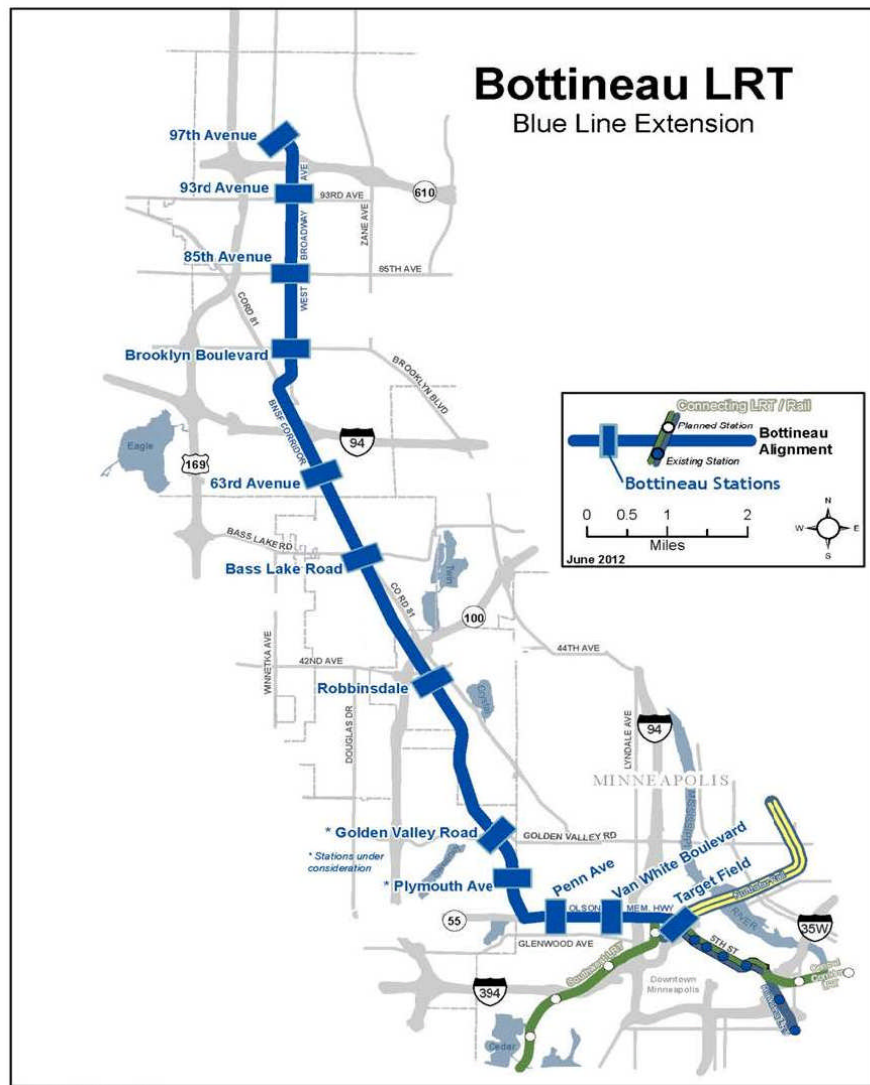


Figure 2: Proposed Bottineau LRT route from Brooklyn Park to downtown Minneapolis

METRO RED LINE (CEDAR AVENUE BUS RAPID TRANSIT)

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.

The region celebrated the opening of the METRO Red Line on June 22, 2013, with a day of festivities and promotional free rides. The Grand Opening marked the completion of Stage 1 construction activities. Extensions of the line are anticipated in future years as ridership grows.

The METRO Red Line is expected to promote new development and redevelopment, such as the 400,000 square foot outlet center, known as Paragon Outlets, currently under construction near the Cedar Grove station.



Figure 3: Full buses to mark the Grand Opening for the Red Line, June 2013

Other commercial and residential developments are underway within walking distance of BRT stations: 12,000 commercial square feet, 100,000 medical/business square feet, 322 housing units and several new retail stores. The City of Apple Valley is leading the way, publishing a new guide plan for BRT Oriented Development in 2013.

The total capital cost of the Stage 1 Cedar Avenue BRT project was approximately \$111.5 million, with funding provided by several sources: federal (39%), state (25%), CTIB (26%) and local (10%). Overall, CTIB awarded \$31.85 million in capital grants to this project between 2008 and 2012, and fulfilled a 30.9% funding commitment to the construction of special bus shoulders. The bus shoulder construction project directly generated 442 jobs from 2011 to 2013.



Figure 4: Paragon Outlets under construction near Cedar Grove Station, September 2013

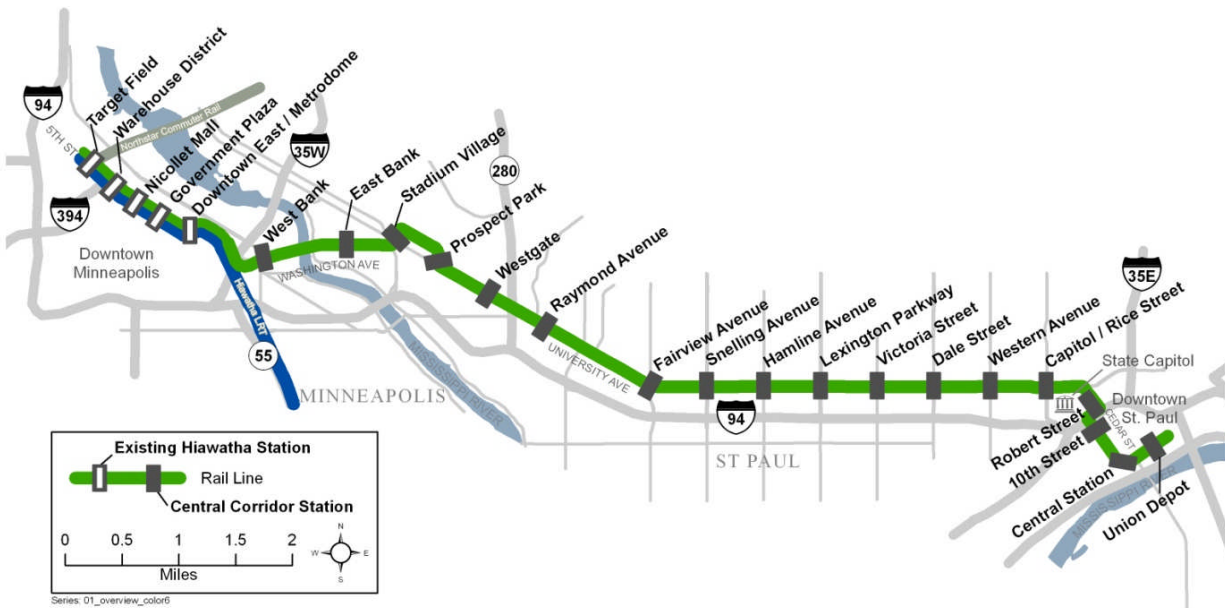
CENTRAL CORRIDOR LIGHT RAIL TRANSIT (METRO GREEN LINE)

Beginning in 2014, the Central Corridor LRT (METRO 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. Counties Transit Improvement Board grants ran from 2009 through 2012; fully satisfying the Board's capital grant commitments. There was no CTIB grant in 2013.

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



Key accomplishments in 2013 include:

- Overall construction of the line is 98 percent complete, as of November 2013.
 - Civil East, Civil West contracts achieved substantial completion in 2013 and final completion is expected by April 2014.
 - Operations and Maintenance Facility is substantially complete.
 - Systems work was 88 percent complete as of November 2013.
- 37 light rail vehicles have been delivered to Minnesota as of December 2013.
- Most Fare Collection equipment delivered by the end of 2013, with full delivery anticipated by January 2014.

The Central Corridor LRT Project is creating jobs:

- Created 5,445 construction jobs through November 2013.
- Estimated to create \$252 million in payroll by the time the project is complete.
- Hired over 130 of the 177 permanent jobs for operations and maintenance of the Green Line.

The Green Line (Central Corridor LRT) is slated to begin service in mid-2014.



Figure 6: April 2013 first light rail vehicle is pulled along the alignment.



Figure 7: Likeness of Gordon Parks is installed on the Victoria Street Station as part of the "Faces of Rondo." In 2013, most of the art was installed on the 18 new stations.



Figure 8: Episcopal Homes expansion under construction at the Fairview Station is one of the over 100 projects either built or in the planning phases along the Green Line.

SOUTHWEST LIGHT RAIL TRANSIT (GREEN LINE EXTENSION)

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. In 2012, CTIB committed to providing a 60% share of funding for the Project Development phase, in an amount up to \$55.8 million. To date, CTIB has awarded the following capital grants:

- 2009: \$7.00 million
- 2010: \$12.20 million
- 2011: \$13.56 million
- 2013: \$17.56 million

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 has created 189 design, engineering and management jobs and is estimated to create 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.



Figure 9: Southwest Light Rail Transit line linking downtown Minneapolis, St. Louis Park, Hopkins, Minnetonka, Eden Prairie, and passing close to Edina.

Key Accomplishments in 2013 include:

- Preliminary engineering consultants on the eastern and western portions (Kimley-Horn and Associates-east, AECOM-west) of the project resolved 23 of the 25 engineering issues facing the project.
- Met Council hired CH2M Hill to complete the Final Environmental Impact Statement through March 31, 2015.
- Met Council hired TranSystems and Burns & McDonnell to conduct freight rail relocation analysis and water resources evaluation, respectively.



Figure 10: United Health Group under construction at future City West Station will employ 6,700 of the 60,000 new jobs anticipated in the corridor by 2030.

NORTHSTAR COMMUTER RAIL: ANOKA STATION PHASE II

2013 CAPITAL GRANT AMOUNT: \$2,000,000

The 2013 capital grant of \$2,000,000 was for planned Phase II enhancements at the Northstar Commuter Rail Anoka Station. This project involves the construction of structured parking facility to replace a surface parking lot, and a pedestrian overpass between the parking facility and the outbound platform. These station enhancements will provide a safer pedestrian connection between the two platforms.

The parking facility will serve as a multi-modal transit hub providing bus, vehicle, bicycle and pedestrian access to the station platform. Construction of the parking facility and overpass will provide an anchor to Anoka's planned Commuter Rail Transit Village (CRTV) to be developed in the area on the north side of the railroad tracks that currently serves as a park and ride facility for the Anoka Station.

Construction began in May 2013 and was substantially complete by the end of the year. The final completion date will be June 27, 2014.



Figure 11: Installation of the pedestrian bridge, October 2013

WASHINGTON COUNTY GUARANTEED GRANT: GATEWAY CORRIDOR DRAFT ENVIRONMENTAL IMPACT STATEMENT

In 2012, the Counties Transit Improvement Board awarded a three percent guaranteed grant in the amount of \$2,125,000 to match \$875,000 in local funds for the completion of the Draft Environmental Impact Statement (EIS) for the Gateway Corridor. These funds allowed the Gateway Corridor to enter into contracts for the multi-year Draft EIS process.



Figure 12: Proposed Gateway Corridor alignment alongside I-94

The project is following the Federal Transit Administration process. In 2013, the Alternative Analysis study selected the Hudson Road alignment alongside I-94 as the preferred alternative. The Draft Environmental Impact Statement (EIS) is now underway. The transit mode, bus rapid transit (BRT) or light rail transit (LRT), will be determined in 2014 as part of the Draft EIS. The Draft EIS will also assess effects of bus rapid transit (BRT) and light rail transit (LRT) on air and water quality, among other potential impacts, and determine mitigation measures for any impacts.



Figure 13: Gateway Corridor project timeline

WASHINGTON COUNTY GUARANTEED GRANT: NEWPORT TRANSIT CENTER

2013 CAPITAL GRANT AMOUNT: \$405,000

In 2010, the Washington County Railroad Authority (WCRRA) purchased the former “Knox lumber site” in Newport for a future transit station. A groundbreaking celebration took place on November 25, 2013. Construction is expected to be complete by fall 2014.

A 2010 grant from CTIB in the amount of \$2,225,000 was used for land acquisition. In 2011, a CTIB grant in the amount of \$225,000 supported the completion of necessary environmental assessment, preliminary and final engineering, and site preparation work for the Newport Transit Station. An additional \$405,000 was granted in 2013 for construction. The project is being funded by a combination of Federal, State, Counties Transit Improvement Board (CTIB) and local funds from the Washington County Regional Railroad Authority.



Figure 14: Newport Transit Center Groundbreaking, November 25, 2013

The Red Rock Corridor is a proposed 30-mile transitway, connecting the Twin Cities’ southeastern suburbs to St. Paul and Minneapolis. The Newport Transit Station will be a critical stop along the Red Rock Corridor that will increase transportation options, mobility, and build the ridership base within the Corridor.

The Newport Station will initially be served by Metro Transit Route 364 with express bus service to downtown St. Paul. As ridership grows, the station’s design is flexible to accommodate all types of enhanced transit service within the Red Rock Corridor including a potential Bus Rapid Transit (BRT) option.

METRO BLUE LINE (HIAWATHA LIGHT RAIL TRANSIT)

2013 OPERATING GRANT AMOUNT: \$11,473,089

The Counties Transit Improvement Board awarded an operating grant in the amount of \$11,473,089 for service in 2013. 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, 2013 to June 30, 2013, this additional legislatively mandated CTIB operating subsidy for the Blue Line (Hiawatha Light Rail Transit) was \$2.3 million. On July 1, 2013, CTIB's share of transitway operating subsidies returned to 50 percent.



Figure 15: METRO Blue Line connects downtown Minneapolis with the Airport and Mall of America

Grant Results - The Blue Line (Hiawatha Light Rail Transit) completed its ninth year of service in 2013. The average weekday ridership in 2013 exceeded projected ridership for 2020, with a project yearly total of nearly 10.2 million rides.

In 2013, the Blue Line recovered approximately 35 percent of its operating cost from fares, compared to a national peer system average of 30 percent. Ridership on the Blue Line represents approximately 12 percent of all Metro Transit rides. The new Target Field, and the Blue Line's Target Field station adjacent to the ballpark, provided convenient and easy access for baseball game attendees in 2013. From April 2013 through September 2013, nine percent of baseball game attendees took the Blue Line to and from the games.



Figure 16: Fans arriving at Minnesota Twins Game

High ridership on the Blue Line and other cost saving measures taken by the Metropolitan Council resulted in reduced operating costs in 2012. In 2013, the Metropolitan Council presented CTIB with a \$1,020,397 operating grant refund for 2012 operations.

NORTHSTAR COMMUTER RAIL

2013 OPERATING GRANT AMOUNT: \$7,871,876

The Counties Transit Improvement Board awarded an operating grant in the amount of \$7,871,876 for service in 2013. 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, 2013 to June 30, 2013, this additional legislatively mandated CTIB operating subsidy for the Northstar Commuter Rail line was \$1.57 million. On July 1, 2013, CTIB's share of transitway operating subsidies returned to 50 percent.



Figure 17: Northstar Commuter Rail provides service from downtown Minneapolis to Big Lake

Grant Results – Northstar Commuter Rail completed its fourth year of service in 2013. 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 2013, the Northstar Commuter Rail line provided over 787,000 rides.

Cost saving measures taken by the Metropolitan Council and an operating refund from BNSF Railroad resulted in reduced operating costs in 2012. In 2013, the Metropolitan Council presented CTIB with a \$1,764,548 operating grant refund for 2012 operations.

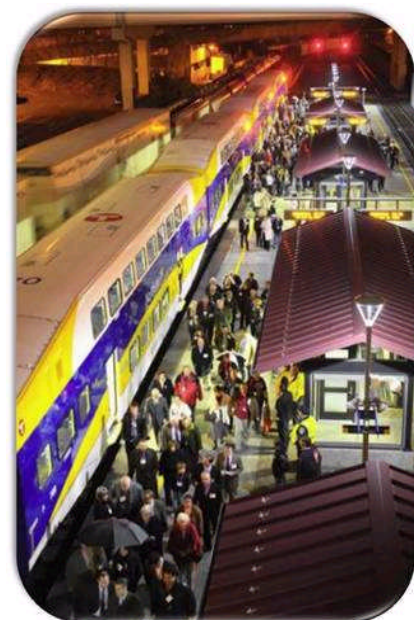


Figure 18: Northstar Riders at Night

CEDAR AVENUE BUS RAPID TRANSIT
2013 OPERATING GRANT AMOUNTS:
\$367,421 (EXPRESS) AND \$1,393,947 (METRO RED LINE)

Two operating grants were awarded for Cedar Avenue Bus Rapid Transit (BRT) service. One grant in the amount of \$367,421 supported expanded express bus service within the corridor, and another grant in the amount of \$1,393,947 METRO Red Line service.

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, 2013 to June 30, 2013, this additional legislatively mandated CTIB operating subsidy for the Cedar Avenue BRT (Express and Station-to-Station) services totaled \$285,463. On July 1, 2013, CTIB's share of transitway operating subsidies returned to 50 percent.

The METRO Red Line opened for passenger service on June 22, 2013. Ridership on the new line is meeting initial projections, with weekend ridership performing especially well. The Red Line is the first transitway service in Dakota County to provide all-day service, at 15 to 30 minute intervals, seven days a week. Riders can connect to the larger regional transit network by transferring to the METRO Blue Line (Hiawatha LRT) at the Mall of America station.

In addition to the Red Line, CTIB supports expanded express bus service in the Cedar Avenue corridor. 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 extend five Apple Valley trips in the morning and evening rush hours to serve the Lakeville Cedar Park-and-Ride. In March 2010, the Cedar Grove Transit Station opened and Route 475 started in September 2010 to provide new express service to downtown Minneapolis and the University of Minnesota. In 2013, these expanded express bus services provided nearly 22,000 rides. These new rides are in addition to the nearly 485,000 rides from other bus services that operate within the Cedar Avenue corridor.



Figure 19: Opening day for the Red Line at the Cedar Grove Station

I-35W SOUTH BUS RAPID TRANSIT EXPRESS SERVICE

2013 OPERATING GRANT AMOUNT: \$148,936:

The Counties Transit Improvement Board provided an operating grant in the amount of \$148,936 for service in 2013. 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, 2013 to June 30, 2013, this additional legislatively mandated operating subsidy for the I-35W South Bus Rapid Transit (BRT) Express service was \$27,927. On July 1, 2013, CTIB's share of transitway operating subsidies returned 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 2013. Total 2013 ridership is on pace to exceed 225,000. During 2013, this service recovered more than 70 percent of its operating cost from fares.



Figure 20: Kenrick Park-and-Ride in Lakeville

Because of increased ridership, four additional trips and vehicles were added to the service in 2013. This increased the total numbers of trips from 24 to 26 trips daily. Further fleet and service expansions are anticipated in 2014 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 2012. The Metropolitan Council presented CTIB with a \$40,946 operating grant refund for 2012 operations.

9.0 UPCOMING 2014 GRANT PROJECTS

In June 2013, the Counties Transit Improvement Board passed a resolution as required by Minn. Statutes Section 297A.992, subd. 5, to authorize the 2013 Grant Solicitation Process for Grants Payable in 2014, to establish the amount of funding available for 2014 grants, to adopt supplemental grant eligibility criteria, and to establish the schedule for the evaluation and award of grants. The Payable 2014 Grant Eligibility Criteria are attached as Exhibit A.

Applications were submitted on September 6, 2013, reviewed by staff for completeness, and then re-submitted for final review on September 20, 2013. All of the projects were deemed consistent with the Metropolitan Council's 2030 Transportation Policy Plan, by resolution of the Metropolitan Council on October 16, 2013. The GEARS Committee completed its review and made funding recommendations to CTIB on October 7, 2013. CTIB accepted the recommendations from the GEARS Committee and awarded, by unanimous vote, seven capital and operating grants for projects in 2014.

PAYABLE 2014 CAPITAL GRANTS – \$17.5 MILLION

The capital grant awarded for 2014 project activities reflects CTIB's efforts to strategically target its investments towards tangible regional priorities. Because of the funding provided by CTIB, several first generation transitways are now operational or almost through construction. CTIB capital grants are now being used to advance the second generation of transitway projects.

Southwest Light Rail Transit – 2014 Grant Amount \$17,557,338

The Southwest Light Rail Transit Project received an award of \$17.5 million in 2014 grant funds to support Project Development phase activities, including but not limited to the engineering, design and environmental processes.

PAYABLE 2014 OPERATING GRANTS – \$25.27 MILLION

METRO Blue Line (Hiawatha Light Rail Transit) – 2014 Grant Amount \$9,211,152

The Blue Line received an award of \$9.2 million in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs. The Blue Line began operating in 2004.

Northstar Commuter Rail – 2014 Grant Amount \$6,557,567

Northstar Commuter Rail received an award of \$6.5 million in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs. The Northstar began operating in 2009.

METRO Red Line (Cedar Avenue Bus Rapid Transit) – 2014 Grant Amount \$1,450,376

The Red Line received an award of \$1.45 million in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs. The Red Line began operating in 2013.

METRO Green Line (Central Corridor Light Rail Transit) – 2014 Grant Amount \$7,530,671

The Green Line received an award of \$7.5 million in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs. The service is anticipated to open in mid-2014. A base amount of funding in the amount of 6,188,856 was awarded for operations between July 1, 2014 and December 31, 2014. Grant funds for a potential early start will be made available in the

amount of \$268,363 per week of revenue service prior to July 1, 2014, for a maximum supplementary grant amount of \$1,341,815 for up to five weeks of early revenue service.

I-35W South Bus Rapid Transit Express— 2014 Grant Amount \$132,275

I-35W South Bus Rapid Transit Express service received an award of \$132,275 in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs.

Cedar Avenue Bus Rapid Transit Express – 2014 Grant Amount \$391,866

Cedar Avenue Bus Rapid Transit Express service received an award of \$391,866 in 2014 grant funds to provide a 50 percent share of the 2014 net operating costs.

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 LRT (Blue Line Extension), Gateway Corridor, I-35W South BRT, METRO Blue Line (Hiawatha LRT), METRO Green Line (Central Corridor LRT), METRO Red Line (Cedar Avenue 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 2013, CTIB has awarded \$537 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 2014. 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
300 South Sixth Street
A-2400 Government Center
Minneapolis, MN 55487
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612-348-7884
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EXHIBIT A:

PAYABLE 2014 GRANT

ELIGIBILITY CRITERIA

PAYABLE 2014 GRANT ELIGIBILITY CRITERIA

Eligibility Criteria from the Transit Investment Framework, Part 9.C

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.

Supplemental Eligibility Criteria Adopted on June 19, 2013 in Resolution #22-CTIB-2013, "Resolution Establishing the 2013 Grant Solicitation Process for Grants Payable in 2014."

1. The following transitways will be eligible for a grant for operations:
 - a. Cedar Avenue Bus Rapid Transit
 - b. Hiawatha Light Rail Transit
 - c. Northstar Commuter Rail
 - d. I-35W South Bus Rapid Transit
 - e. Central Corridor Light Rail Transit

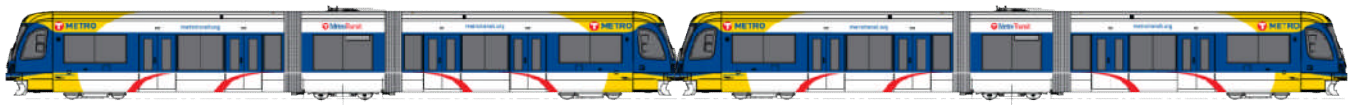
A grant award for operating costs may be up to and no more than 50% of the net operating subsidy. Only new and expanded BRT transitway operations will be eligible for a 50% operating grant.

2. The following transitways will be eligible for a capital grant:
 - a. Bottineau Light Rail Transit
 - b. I-35W South Bus Rapid Transit
 - c. Northstar Commuter Rail
 - d. Southwest Light Rail Transit
 - e. Hiawatha Light Rail Transit
 - f. Robert Street Corridor

EXHIBIT B:

TRANSITWAY BRIEFS

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Project at a glance

Current Status: Draft EIS in final stage of federal agency review

Selected Mode:
Light Rail Transit

New Starts or Non-New Starts: New Starts

Cities served: Minneapolis, Golden Valley, Robbinsdale, Crystal, Brooklyn Park

Length of transitway:
13 miles

Number of stations served:
11 under consideration

Anticipated annual ridership:
8,500,000 (2030)

HCRA estimated cost:
\$1,000,000,000

Timeline/Phases

2012: Draft Environmental Impact Statement (DEIS) scoping completed

2013: Selected Locally Preferred Alternative; DEIS development/early agency coordination.

2014: Complete DEIS; Enter Project Development

Schedule for Project Development, Engineering, Construction, and start of revenue operation will be established as part of Project Development.

Bottineau LRT (METRO Blue Line Extension)

Metropolitan Council

On May 8, 2013, the Metropolitan Council selected the Bottineau Transitway locally preferred alternative and amended it into the Transportation Policy Plan. The LPA is a 13-mile light rail transit (LRT) line in the highly traveled northwest area of the Twin Cities metropolitan area. The line would connect the cities of Minneapolis, Golden Valley, Robbinsdale, Crystal, and Brooklyn Park. Bus routes and park-and-rides supporting the line would also serve the cities of New Hope, Maple Grove, Osseo, Dayton, and Rogers. A Bottineau LRT line could become an extension of the Blue line and would have convenient connections with the Green line and the Northstar Commuter Rail line at the Minneapolis Transportation Interchange and Target Field Station.

Major activity and employment centers in the project area include downtown Minneapolis, north Minneapolis including Theodore Wirth Regional Park, North Memorial Medical Center in Robbinsdale, the Target North Campus and North Hennepin Community College in Brooklyn Park.

The purpose of the Bottineau Transitway is to provide transit service which will satisfy the long-term regional mobility and accessibility needs for businesses and the traveling public. Growth in population and employment in the project area is expected to result in increased transportation demand. In coming decades, nearly 60% of Hennepin County's growth is projected to occur in these northwestern communities, and traffic volumes are expected to increase in the range of 15 to 20 percent along project area roadways. Approximately half of all jobs in the project area are located in downtown Minneapolis and 65,000 additional jobs are anticipated by 2030. Current transit service in the Bottineau Transitway project area offers a limited number of travel-time competitive alternatives to personal vehicles. Based on U.S. Census information, 14% of households in the project area do not own a vehicle. This is nearly double the metropolitan area average of 8%. Moreover, senior populations are expected to grow in Bottineau Transitway communities in the next 20 years by as much as 125%.

Estimated Jobs Created

150 permanent jobs for Bottineau LRT operations and maintenance.
5,500 jobs for Bottineau LRT construction

Board actions to date

Grants

\$2,400,000 – Awarded in 2012

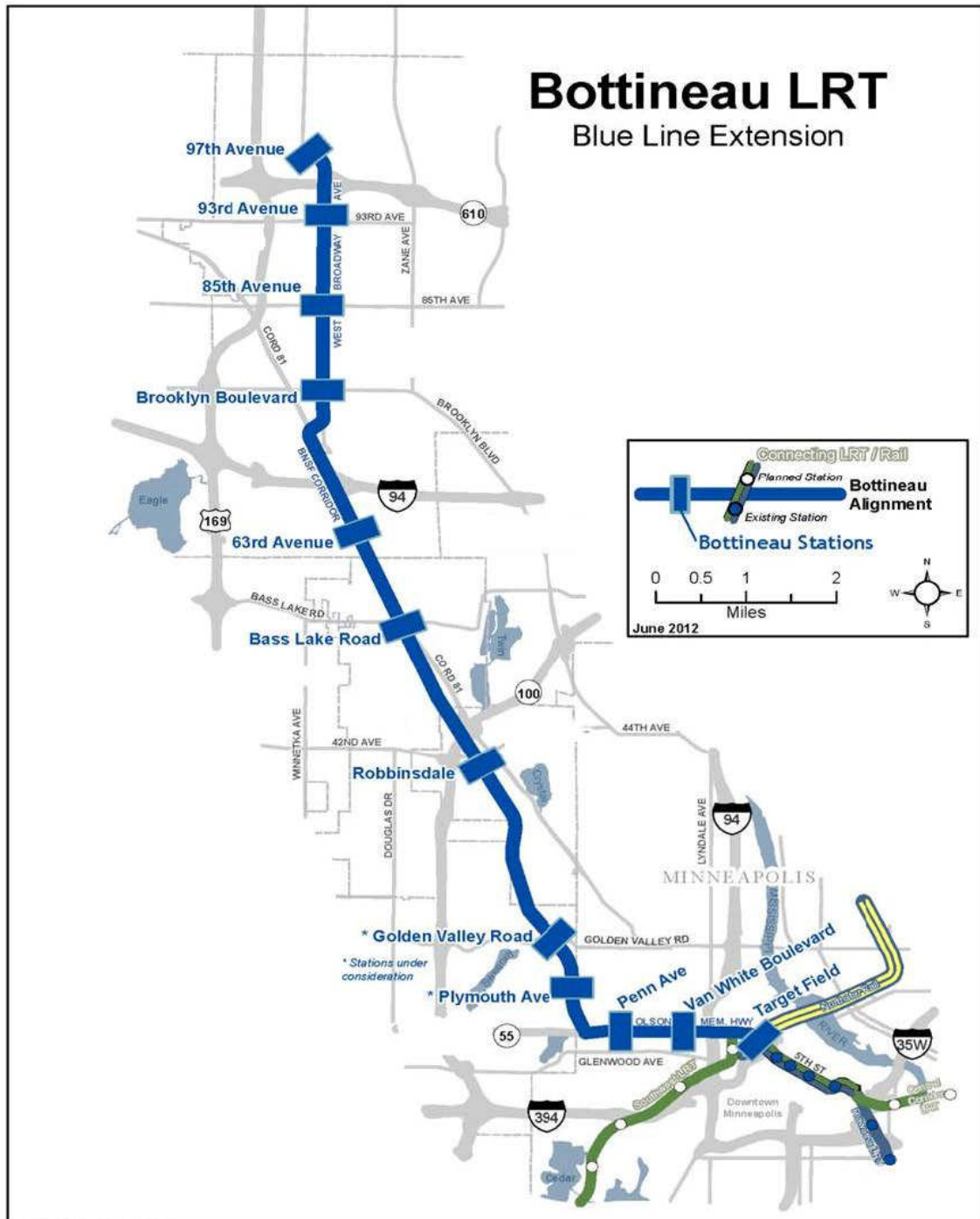
Funding commitments

None to date

Letters of No Prejudice (LONP) approval

None to date.

Locally Preferred Alternative, adopted into Transportation Policy Plan,
May 8, 2013.





Cedar Avenue Bus Rapid Transit (Red Line)

Dakota County

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.

“Dakota County played a key role in the development of the METRO Red Line because we know how important transit is to the economy of our communities. We are already seeing the interest from developers and the promise of jobs. But bus rapid transit is also about simply improving mobility. This station-to-station service gives our residents an important transportation option. It allows them to leave their cars behind, but still have the flexibility to stop off and have dinner, or pick up a few groceries. We’re proud of the collaboration with our local, state, and federal partners that has resulted in a service we know will be providing a return on investment for decades to come.”

-- Nancy Schouweiler, District 4
Dakota County Board of Commissioners

Project at a glance

Current status: Stage I construction complete. METRO Red Line service began on June 22, 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)

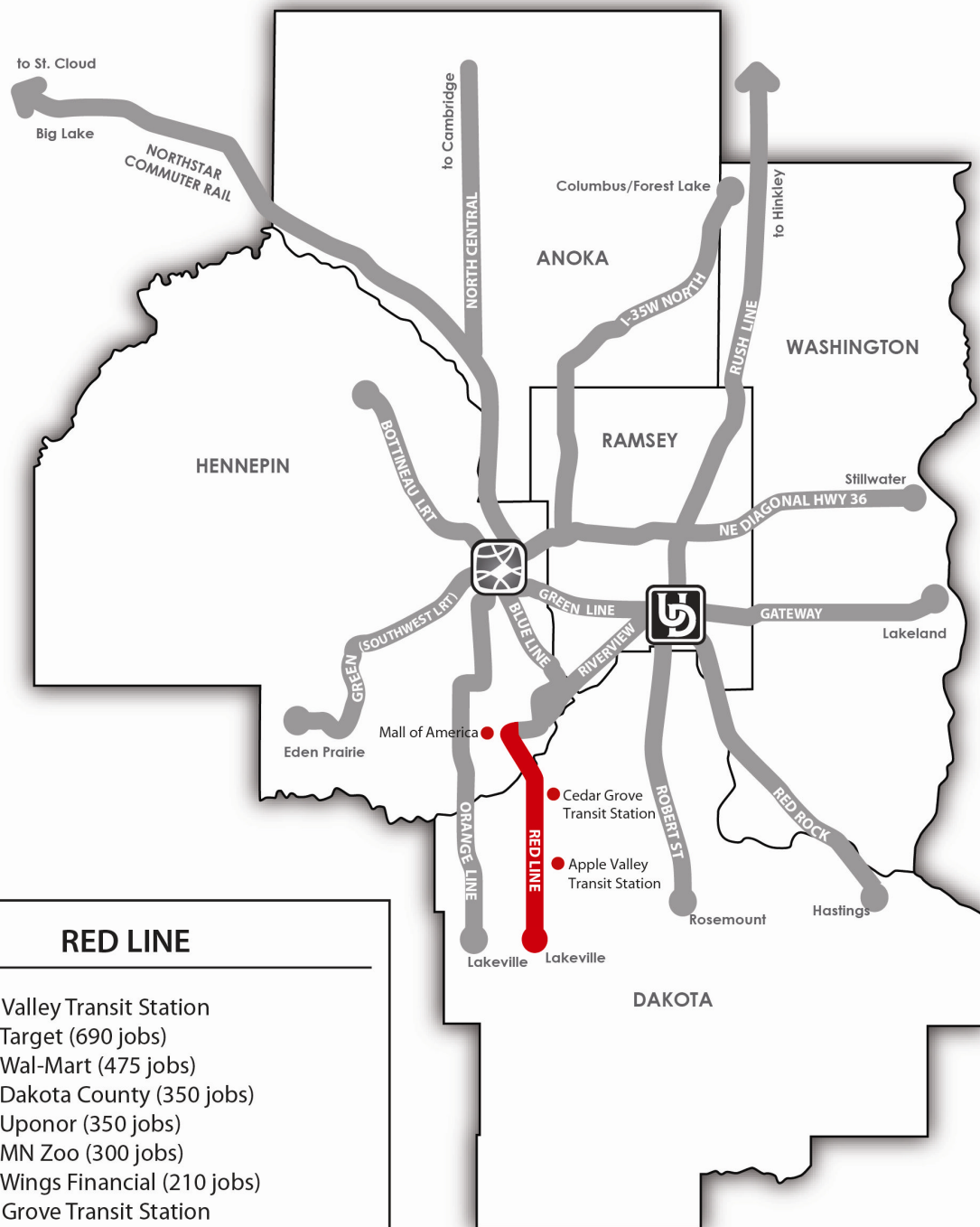
Total estimated cost: \$283,000,000

Timeline/Stages

2009-2013: Stage I

2014-2020: Stage II

2020-2030: Stage III





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

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.

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

- 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."

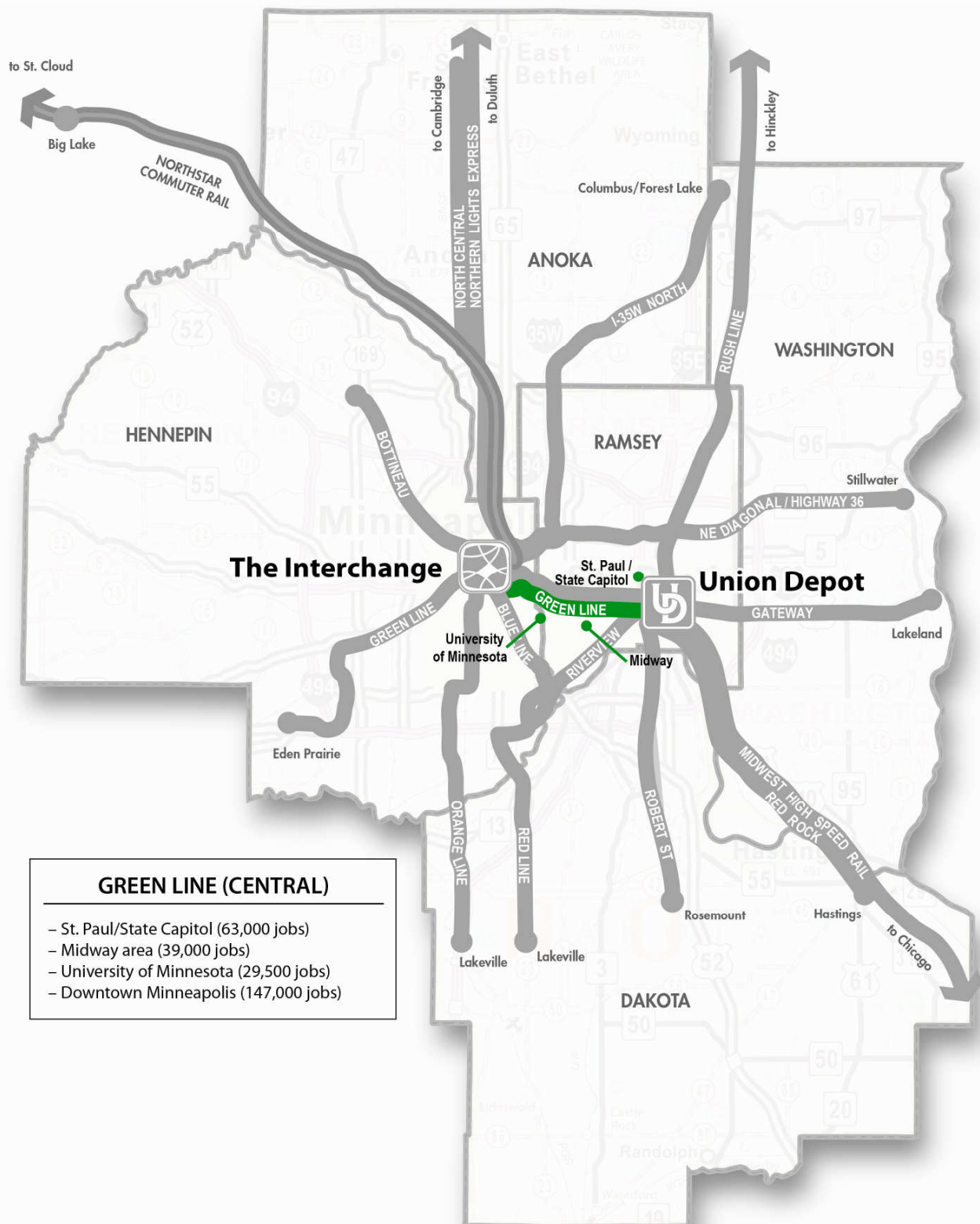
R.T. Rybak
Mayor, City of Minneapolis

"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

Counties Transit Improvement Board

Centers of Activity / Employment





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: Project Development

2016: Engineering

2017-2020: Construction

2021: Start of Operations

Overview

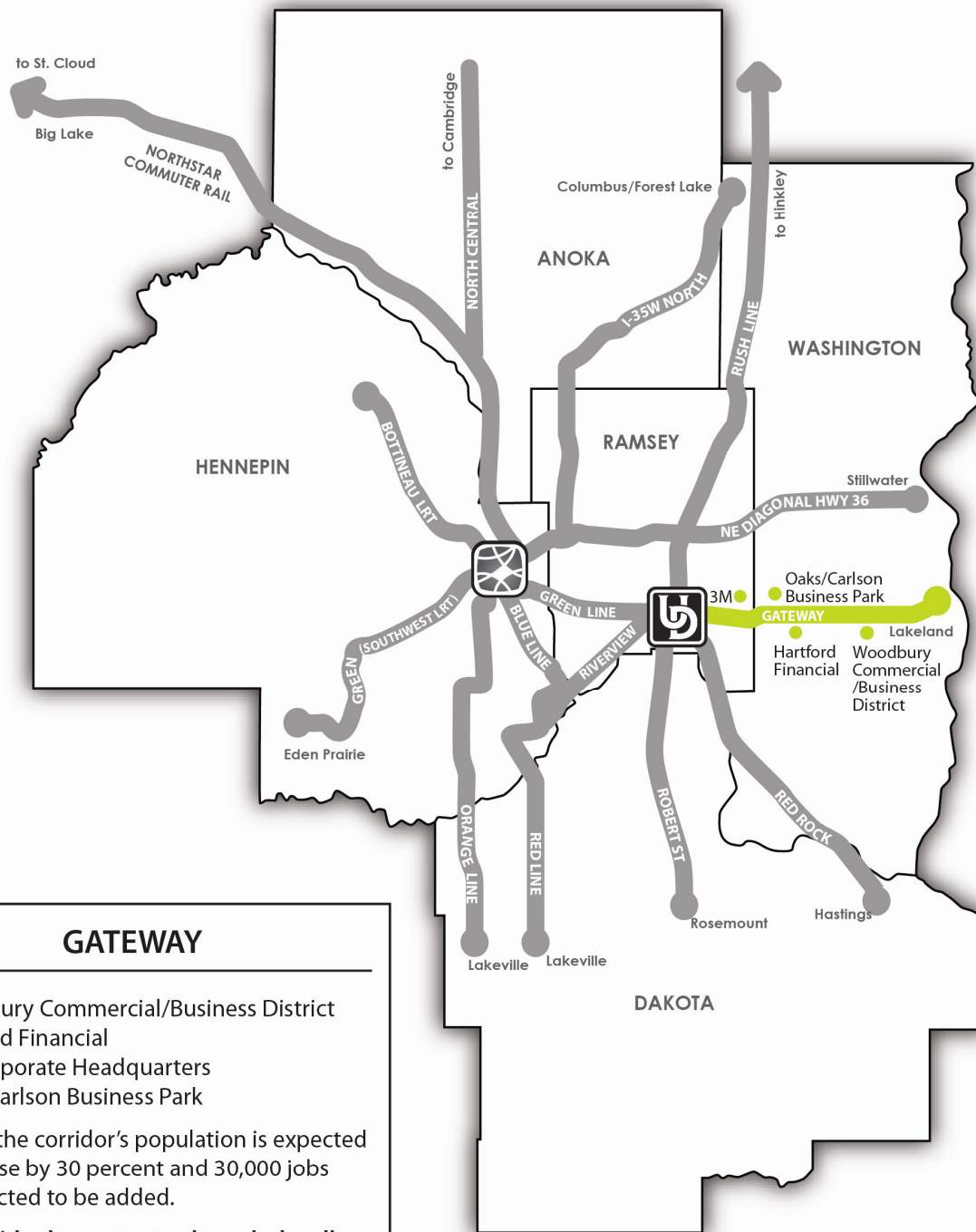
The Gateway Corridor follows Interstate 94 from the Union Depot in Saint Paul to the St. Croix River with connections to Minneapolis and into western Wisconsin. In 2009, the Gateway Corridor Commission was created to study and plan alternative transportation options along the Corridor. The Commission 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 began 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.



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.



Blue Line (Hiawatha Light Rail Transit)

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: 10.6 million
annual rides, weekday average
ridership of 31,100

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

Blue Line LRT supports jobs in downtown Minneapolis, Mall of America, Airport

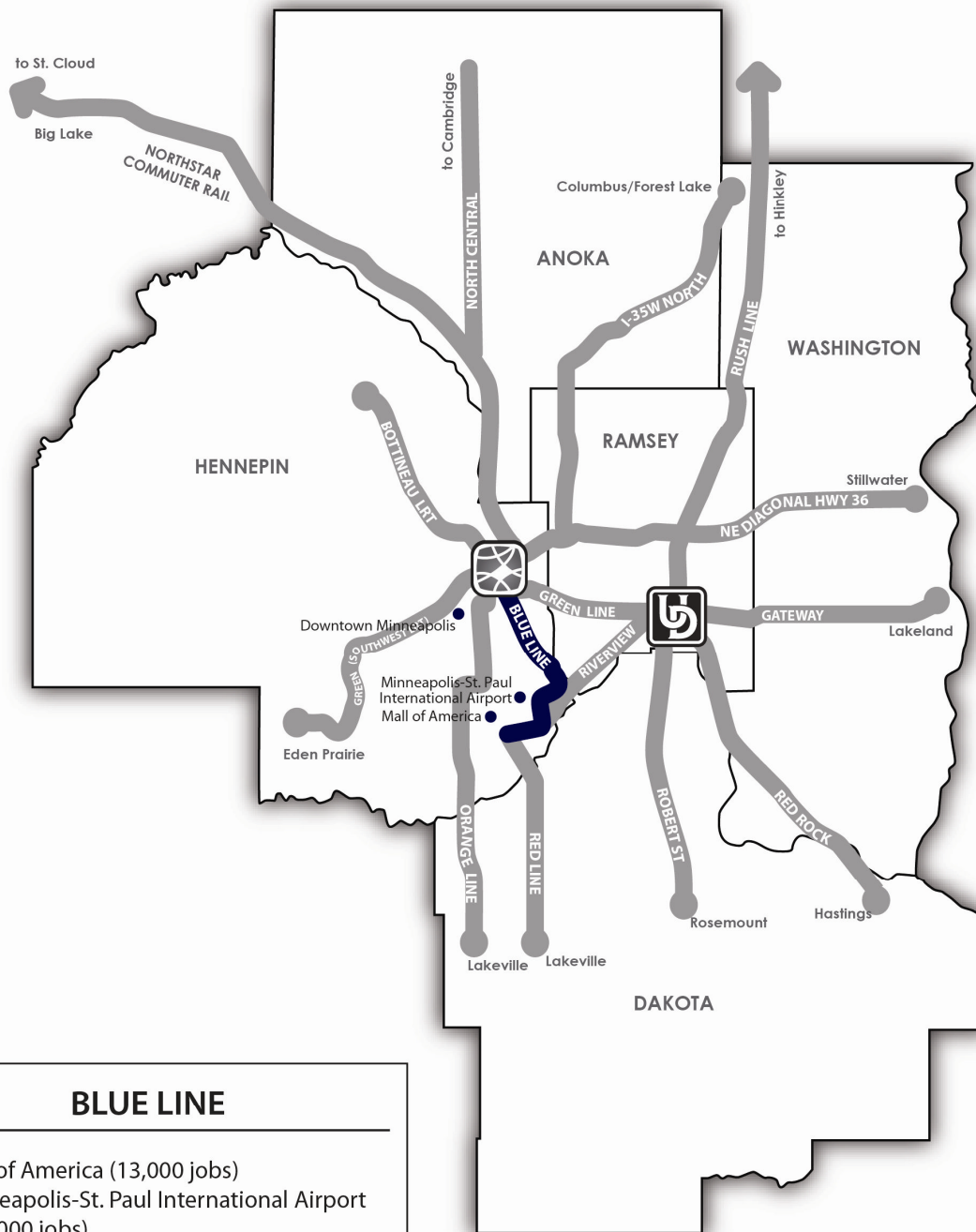
- The Blue Line (Hiawatha LRT) links downtown Minneapolis and the Mall of America via the Minneapolis-St. Paul International Airport.
- Approximately 140,000 people work in downtown Minneapolis; the city has available less than half a parking space per employee.
- Work trips to downtown from Blue Line station communities are expected to grow between 2000 and 2025.
- Blue Line 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.
- Blue Line 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 Blue line LRT was completed and has been operational since 2004, prior to the creation of CTIB.
- The Blue line LRT completed its ninth year of service in 2013. The average weekday ridership in 2013 exceeded projected ridership for 2020, with a yearly total of nearly 10.2 million rides.
- Ridership on the Blue line LRT represents approximately 12 percent of all Metro Transit rides.
- In 2013, the Blue line LRT recovered approximately 35 percent of its operating cost from fares, compared to a national peer system average of 30 percent.

Blue Line Project Status and Timeline

- The Blue line LRT was completed in 2004.
- The Blue line LRT 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 Blue line LRT 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



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

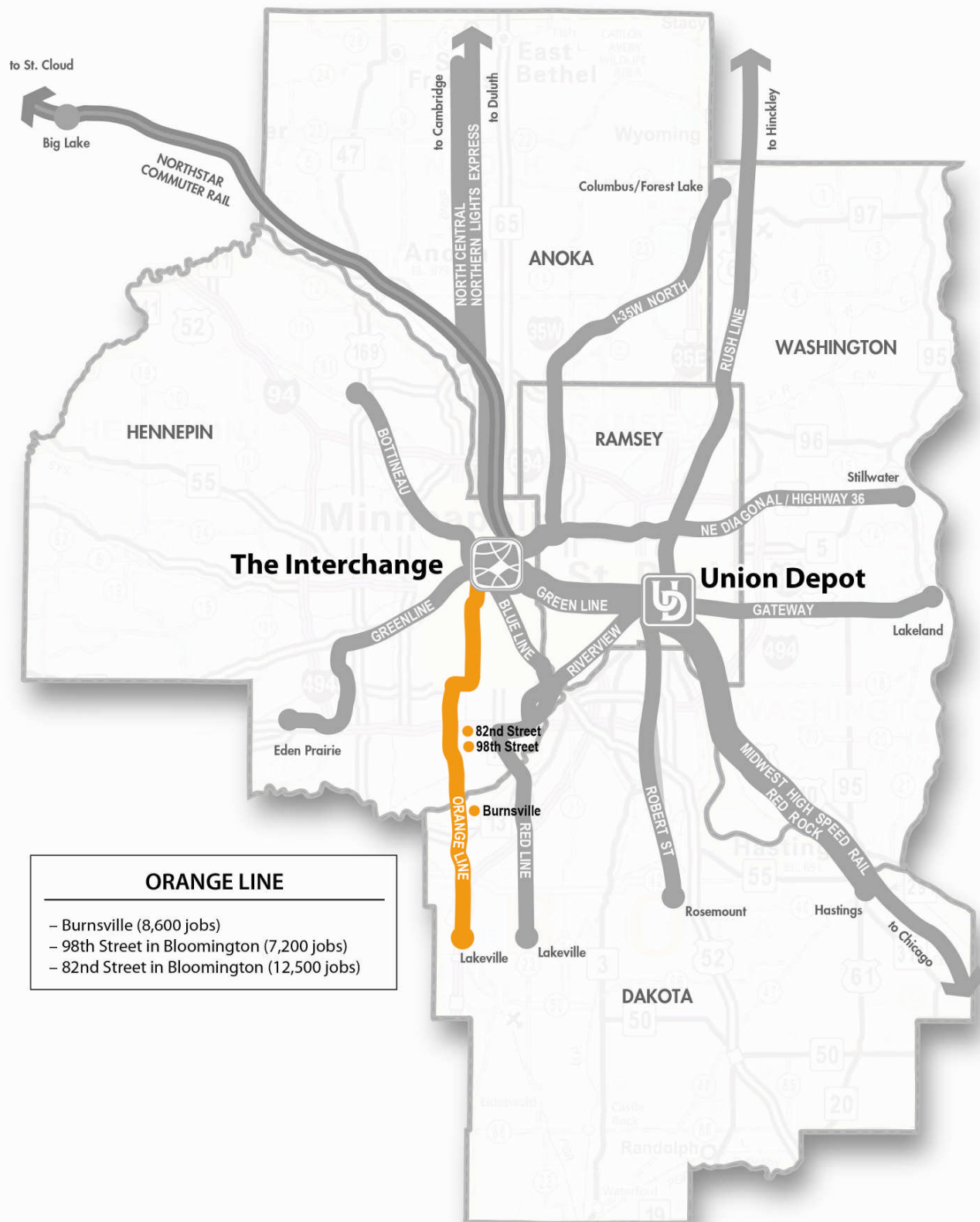
- I-35W corridor is the region's busiest commuter highway:
 - Average daily traffic volume of more than 190,000 vehicles, with high demand during peak travel hours;
 - 12,000 express bus riders use the corridor each weekday; and
 - Service restructuring for the new I-35W & 46th Street online station 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





Northstar Corridor

Anoka, Hennepin and Sherburne Counties

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:

787,000 Forecast in 2013

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 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 leveraged \$80 million in residential, retail and other investments at The COR in Ramsey.

Northstar provides reliable service and saves time

- In 2013, Northstar's on-time performance exceeded 92% - even during the worst road conditions and with track maintenance.
- 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.

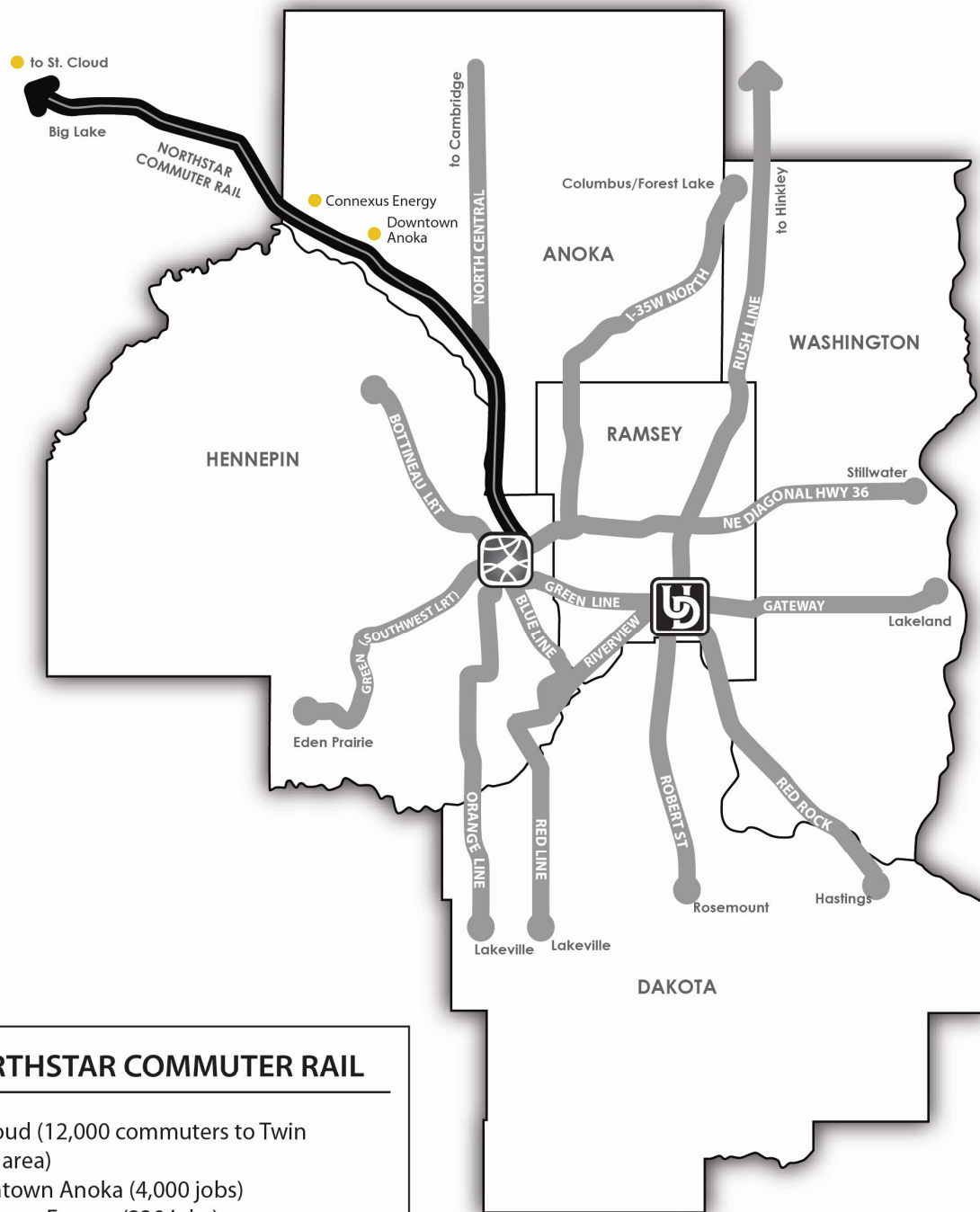
Property tax relief

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."

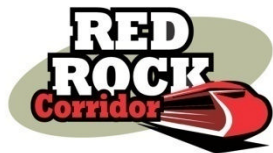
Teresa Bohnen, President
St. Cloud Area Chamber of Commerce

Map of corridor on reverse side.



NORTHSTAR COMMUTER RAIL

- St. Cloud (12,000 commuters to Twin Cities area)
- Downtown Anoka (4,000 jobs)
- Connexus Energy (230 jobs)
- Medtronic (8,000 jobs)



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: Project Development

2017: Engineering

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

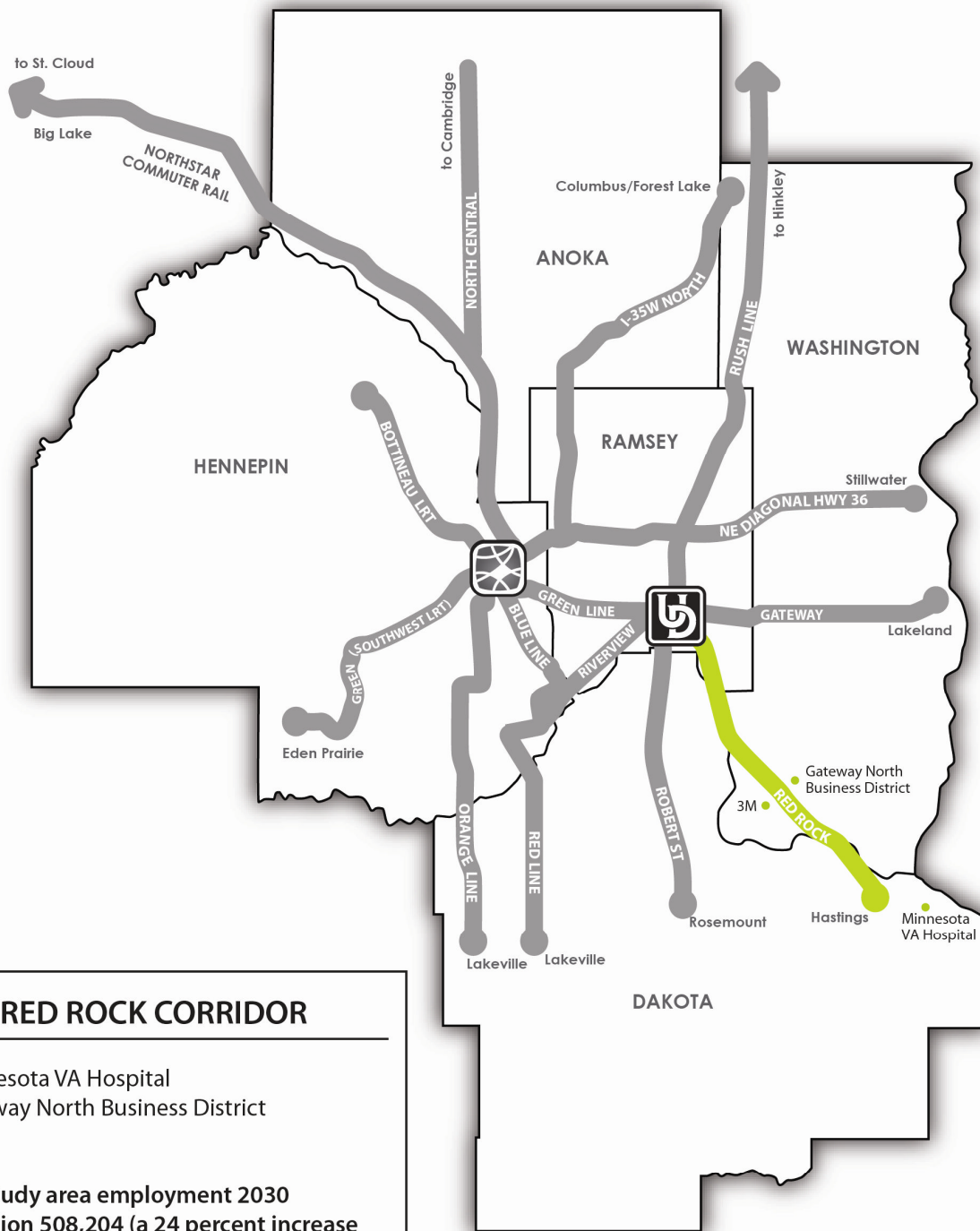
- A station area planning study for the southeast stations of the Red Rock Corridor was completed in 2011.

Newport Transit Station

- In 2010, the Washington County Regional Railroad Authority (WCRRA) 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 2013, with construction planned for 2014. 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.



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

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.

A good investment

- 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.

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 Pre-Project Development Study. (Advanced AA) to more accurately determine the impacts, benefits, costs, and ridership for each alternative.

Pre-Project Development Study

The Rush Line Corridor Pre-Project Development (PPD) Study will identify a locally preferred alternative for the Rush Line Corridor. The PPD Study will complete ridership and cost analysis to more accurately determine the impacts, benefits, and costs for each alternative. The PPD Study will place a significant emphasis on public and stakeholder involvement. The PPD Study will result in the selection of a single alternative to advance into further analysis.

Project at a glance

Current status:

Pre-Project Development

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

2014- 2015: Pre-Project Development Study

2016-2018: Draft Environmental Impact Statement/Project Development

2018-2019: Engineering

2019-2022: Construction

