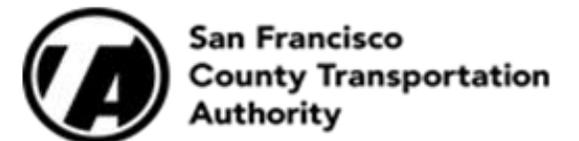


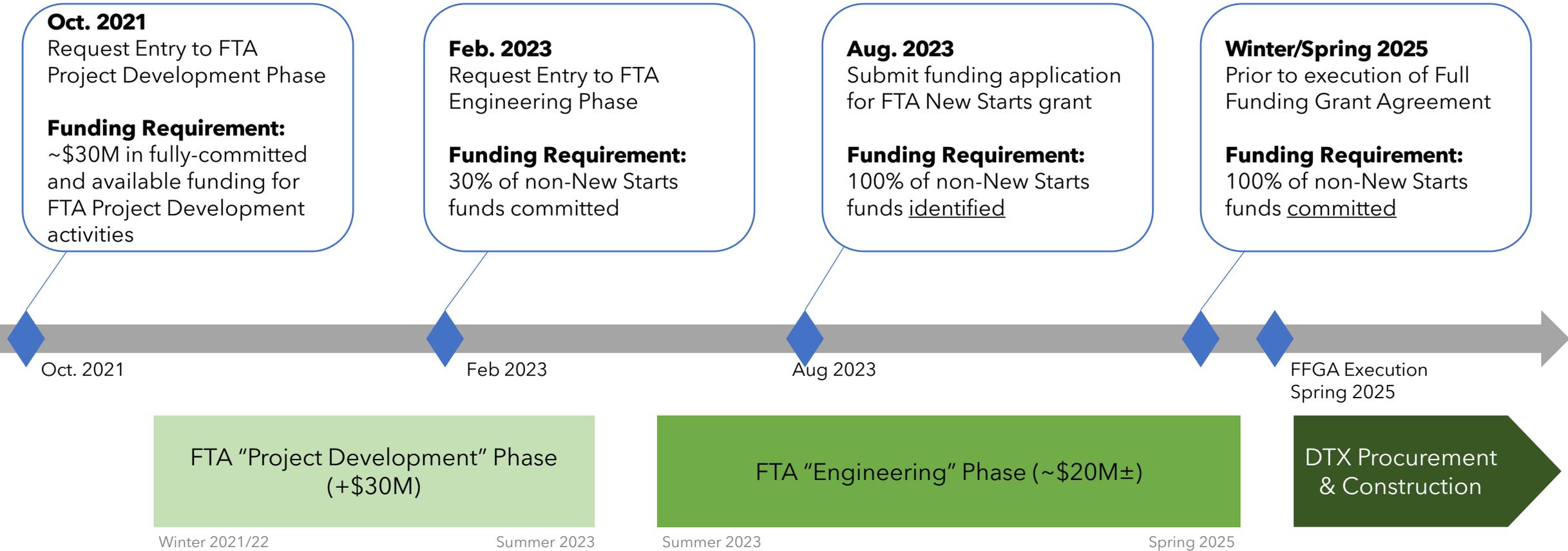
Downtown Rail Extension

Development of Funding Plan for Project Development

Executive Steering Committee
May 21, 2021



DTX Funding Plan Milestones



Summary



- DTX project development activity in next three fiscal years requires an additional \$50M in funding
 - Next phases of work originally planned to be funded by Regional Measure 3 funds
 - MOU partner funding working group convened to develop multi-agency funding approach for project development
- TJPA to request entry into FTA New Starts pipeline in Fall 2021
 - Fully-committed \$30M funding plan for FTA “Project Development” phase will be required by FTA in order to successfully request entry

Project Development Costs (FY22-FY24)



Project Costs (\$ millions)	FY21/22	FY22/23	FY23/24	total
FTA Project Development (Funded through Current Prop K Allocation)	4.0	-	-	4
FTA Project Development (Remaining Scope)	21.2	5.6	-	27
FTA Engineering Phase (Assuming DB Procurement)	-	1.6	16.6	18
Program-wide Costs (Legal, Financial, Admin, etc.)	1.4	1.8	1.9	5
total	27	9	19	54

- Project development costs in next three fiscal years estimated at \$54M (assuming current schedule and a design-build procurement)
- \$4M funded through April 2020 Prop K allocation by SFCTA to TJPA
- Above costs do not reflect other potential activities in this period, such as right-of-way acquisition and advance utility works

FTA Project Development & FTA Engineering: Development of 3-Year Funding Approach



- Regional Measure 3 funds originally planned to support project development and engineering phases
 - RM3 funds not available pending outcome of current litigation
- Staff-level work with all six MOU agencies has been initiated, to develop multi-party funding approach for project development

Potential Funding Breakdown (\$M)

Mello Roos Special Tax Funds/Proceeds	23
Other Partners (Caltrain, CHSRA, SFCTA, MTC)	20
Grant Funds (e.g., Federal CRISI, State SB1)	7
total	50

FTA Project Development: Potential Funding Scenarios



FTA Project Development Costs (\$ millions)	FY21/22	FY22/23	total
FTA Project Development (Remaining Scope)	21.2	5.6	27
Program-wide Costs (Legal, Financial, Admin, etc.)	1.4	1.8	3
total	23	7	30

- Project Development phase includes development of preliminary design, detailed cost estimate, and other activities
- FTA requires fully-committed funding plan for FTA Project Development, demonstrated at time of request to enter this phase (planned October 2021)
- Full funds for this phase not yet committed – multiple scenarios for discussion:
 - a) 100% Local funding, with financing required
 - b) Partner commitments secured, sufficient to defer financing
 - c) 100% Local funding for FTA Project Development, with partner commitments secured for FTA Engineering phase (FY22/23 & FY 23/24)

FTA Project Development: Funding Scenario (A)

100% Local Funding



- This scenario, which was presented at the May 13 TJPA Board meeting, reflects 100% local funding
- Scenario would require use of Mello Roos Special Tax funding, including pay-go funds and bond financing, subject to approval by San Francisco Board of Supervisors
- Additional Prop K allocation subject to approval by SFCTA Board

FTA Project Development: Funding Scenario (A)	\$M
Mello Roos Special Tax: Bond Proceeds	14
Mello Roos Special Tax: Pay Go Funds	10
Other TJPA Funds	1
SFCTA Prop K (Potential Future Allocation)	5
Other Partners (Caltrain, CHSRA, MTC)	-
	30

FTA Project Development: Funding Scenario (B)

Partner Commitments Secured, Sufficient to Defer Financing



- Scenario illustrates potential for partner funding commitments to allow deferral of local financing

FTA Project Development: Funding Scenario (B)	\$M
Mello Roos Special Tax: Bond Proceeds	-
Mello Roos Special Tax: Pay-Go Funds	10
Other TJPA Funds	1
SFCTA Prop K (Potential Future Allocation)	5
Other Partners (Caltrain, CHSRA, MTC)	14
	30

FTA Project Development: Funding Scenario (C)

Confirm Funding Plan for FTA PD & FTA Engineering Phases



- Under this scenario, partners would develop MOU to agree to funding for \$50M three-year program of FTA Project Development and Engineering
- Agreement on the \$20M for Engineering would be reached on same timeline as confirming local commitments to \$30M for Project Development
- Any federal or state grant funds would offset requirements from other sources

FTA Project Development (FY21/22-22/23) – Funding Scenario (C)	\$M
Mello Roos Special Tax: Bond Proceeds	19
Mello Roos Special Tax: Pay-Go Funds	10
Other TJPA Funds	1
SFCTA, Caltrain, CHSRA, MTC	-
	30

FTA Engineering (FY22/23-23/24) – Funding Scenario (C)	\$M
Mello Roos Special Tax: Bond Proceeds	-
Mello Roos Special Tax: Pay-Go Funds	-
Other TJPA Funds	-
SFCTA, Caltrain, CHSRA, MTC	20
	20

Next Steps



- Advance preparation for FY21/22 bond issuance using Mello Roos Special Tax revenues for FTA Project Development phase funding plan
- Continue work with MOU partner agencies to develop agreed funding approach to project work over upcoming ~3 fiscal years
- Develop draft update to DTX full capital funding plan, for review by Executive Steering Committee and TJPA Board in Summer 2021

Thank you.

