2013 Legislative Report

Guideway Status

November 2013

Prepared by

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Cover Photos:

Northstar commuter rail train at Target Field
Source: Metro Council

Red Line (Cedar BRT) vehicle on opening day
Source: Metro Council

Green Line (Central Corridor LRT) vehicle on tracks for testing
Source: Streets MN

Blue Line (Hiawatha LRT) in operation
Source: Metro Council

Contents

Statutory Requirement

This report is issued to comply with Minn. Stat.174.93, sub-division 2.

(a) By January 15, 2012, and by November 15 in every odd-numbered year thereafter, the commissioner shall prepare, in collaboration with the Metropolitan Council, and submit a report electronically to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the status of guideway projects

(1) currently in study, planning, development, or construction;

(2) identified in the transportation policy plan under section 473.146; or

(3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

(1) a brief description of the project, including projected ridership;

(2) a summary of the overall status and current phase of the project;

(3) a timeline that includes

(i) project phases or milestones;

(ii) expected and known dates of commencement of each phase or milestone; and

(iii) expected and known dates of completion of each phase or milestone;

(4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and

(5) a summary financial plan that identifies, as reflected by the data and level of detail available in the latest phase of project development and to the extent available:

(i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project;

(ii) estimated annual operations and maintenance expenditures reflecting the level of detail available in the current phase of the project development, with a breakdown by committed and proposed sources of funds for the project; and

(iii) if feasible, project expenditures by budget activity.

(c) The report must also include a systemwide capacity analysis for investment in guideway expansion and maintenance that:

(1) provides a funding projection, annually over the ensuing 10 years, and with a breakdown by committed and proposed sources of funds, of:

(i) total capital expenditures for guideways;

(ii) total operations and maintenance expenditures for guideways;
(iii) total funding available for guideways, including from projected or estimated farebox recovery; and
(iv) total funding available for transit service in the metropolitan area; and
(2) evaluates the availability of funds and distribution of sources of funds for guideway investments.

(d) The projection under paragraph (c), clause (1), must be for all guideway lines for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing 10 years.

(e) Local units of government shall provide assistance and information in a timely manner as requested by the commissioner or council for completion of the report.

The full text of the applicable statute is provided in Appendix A.

Cost of Report

The cost of preparing this report is estimated to total approximately $20,000 for MnDOT, Metropolitan Council, transit agency and county staff to compile and analyze data, writing and document production.

Introduction

In 2010 the Minnesota Legislature adopted Minn. Stat. 174.93, which required the Department of Transportation to prepare, in collaboration with the Metropolitan Council, a biennial report on the status of "guideway" projects in the state, with an emphasis on funding sources and project progress. In the 1st Special Session of 2011, the legislature amended the statute to require that the report take a system view as well as a project view, and that it include information about uses of funds in addition to funding sources. (See Appendix 1 for statutory language.) The first report was submitted, as required, in January, 2012; updates are due thereafter in mid-November of odd-numbered years. This update will be referred to hereafter as the 2013 Guideway Status Report.

The statute defines "guideways" as a form of transportation service provided to the public on a regular or ongoing basis that operates on exclusive or controlled rights-of-way. Thus, guideways include light-rail transit, commuter rail, street cars, intercity passenger rail and bus service that uses an exclusive or managed lane. The statute further requires that the report include those guideways undergoing planning, design or construction, as well as those already in operation.

The statutory definition of "guideway" is slightly narrower than the term "transitway," which is the term more commonly used by regional transit planners. In addition to LRT, commuter rail and bus rapid transit corridors, the region's Transportation Policy Plan includes in the definition of "transit-way" those corridors with major transit advantages such as stations, park-and-rides and bus-only shoulders, but that may not have a dedicated guideway or controlled right-of-way. Thus, in the TPP, the term "transitway" would also include BRT operating on major arterial roadways and express bus corridors with bus-only shoulder lanes. While the term "transitway" may be used in general discussion within this report, the scope of this report is only for those corridors meeting the narrower definition of a "guideway."

Because this report is statutorily limited to guideways, it provides neither a complete overview of planned regional transit investment nor the full context of planned comprehensive transportation policy and investments.

Statewide Planning

Minnesota Go

MnDOT completed Minnesota GO, a collaborative, 50-year visioning process in November 2011. The objective of this process was to better align the transportation system with what Minnesotans expect for their quality of life, economic competitiveness and environmental health. By having an overall direction for the transportation system as a whole, policies and strategies are laid out to help determine how investments will be made and how success is measured.

The broad goals of this vision and related 20-year Statewide Multimodal Transportation Plan should guide planning efforts within the state, including local and regional transportation planning, as well as intercity passenger rail.

Intercity Passenger Rail

Intercity passenger rail is a statewide issue that transcends localities and regions and is therefore overseen by MnDOT. Federal oversight and grants for passenger rail come through the Federal Railroad Administration. The FRA currently does not have a grant program similar in scale to the Federal Transit Administration's New Starts program and is in process of formulating common guidance and criteria for states to use when implementing intercity passenger rail.

In 2008, the Minnesota Legislature required that MnDOT prepare a Comprehensive Statewide Freight and Intercity Passenger Rail Plan. This was the first plan of its kind and was completed in February 2010. It identifies rail corridors with the most potential for passenger rail development and divides them into two phases of development. Among the Phase I corridors, three stand out as having the most potential for development in the next 10 years. These corridors include the Northern Lights Express between the Twin Cities and Duluth, the Midwest Regional Rail Initiative high speed rail service between the Twin Cities and Chicago, and the Rochester ZIP Rail between the Twin Cities and Rochester. All are discussed in this report.

In addition to intercity passenger rail, MnDOT has authority to plan, develop, construct, operate and maintain LRT and commuter rail. For commuter rail, MnDOT may delegate this authority to local entities such as the Council or a regional railroad authority. For LRT, both MnDOT and the Council have concurrent authority, and state statute requires that the Governor designate one of the agencies as project lead. After projects are constructed, the Council operates and maintains LRT facilities, as well as commuter rail facilities located completely or partially within the Twin Cities metropolitan area.

Regional Planning

Metro Council – Transportation Policy Plan

The vision for transitway development in the Twin Cities metropolitan area is identified in the TPP, which sets a regional goal of doubling transit ridership by 2030 from 2003 levels, resulting in approximately 150 million rides annually by 2030. The plan calls for accomplishing this goal by expanding the existing base local and express bus system and by developing a regional system of bus and rail transitways. It is important to note that the Guideway Status Report addresses only transitways and does not include cost estimates for expansion of the local and express bus system. Doubling transit ridership cannot be accomplished without making investments in the entire transit system. The corridor summaries provided in this report focus only on guideway projects that are being, or may be, implemented over the next 20 years as part of this regional vision. During 2013 and 2014 the Council will be developing the next version of its long-range transportation plan, which will extend to the 2040 planning horizon. This plan update could potentially change both the ridership goal and the vision for the transitway corridors expected to be developed over the next decades.

For the past four to five years, the Council's base bus system budget has been at a service preservation level with minimal service expansion. Additional resources will be necessary to increase service levels in the base bus system and to build a system of transitways to achieve the 2030 ridership goal. During 2012, the Governor's Transportation Finance Advisory Committee met and identified a range of options for increasing transportation funding for the state. The final TFAC report included a recommendation that the state pursue a transportation vision and level of funding for transportation titled the "Economic Competitiveness" scenario. Under this 20-year vision, over $4.2 billion of unfunded transit and transitway expansion needs were identified. The work of the TFAC will be incorporated into the Council's work on the TPP update, which will document the costs and revenues needed to expand the base local and express bus system; continue operation of the guideway projects covered in this report and implement additional transitways (some of which may be on dedicated or controlled rights-of-way and thus would be guideways). It will also include the costs of implementing other transitways not covered by this report, such as arterial BRT or express bus transitways without a managed lane.

Planning Process

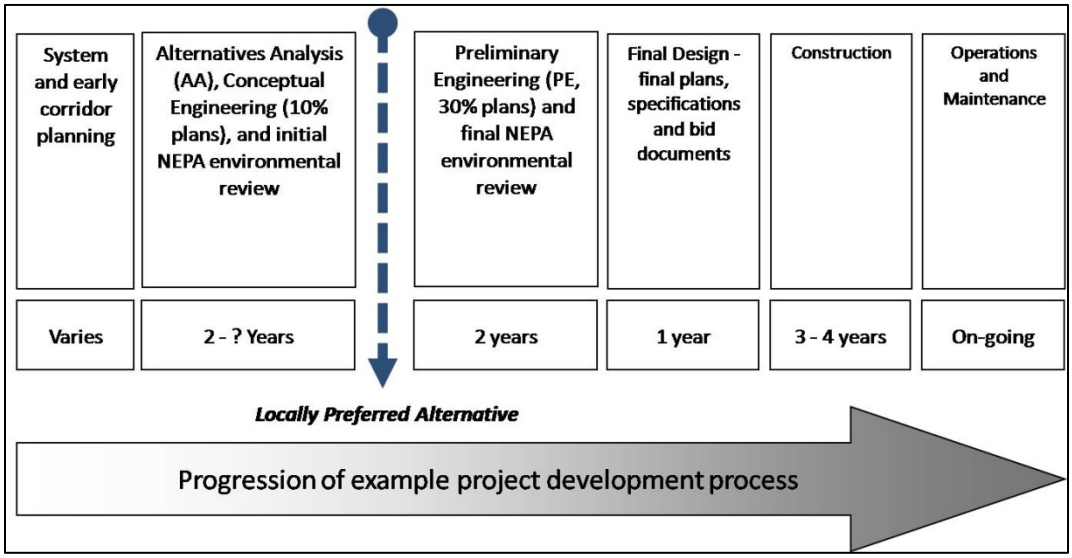
Each of the metropolitan area transit corridors incorporated into this report is identified in the TPP as either having already completed a local planning process intended to identify the locally preferred transit alternative for the corridor or as being currently in the process of doing so. Typically, this local corridor planning process is initiated and led by the county or counties in which the corridor is located. A city may also lead a corridor study when a majority of the corridor is contained within its boundaries. In February of 2012, the Council adopted the Regional Transitway Guidelines to help ensure that

transitway projects in the Twin Cities metropolitan area are planned and implemented in a consistent, equitable, and efficient manner regardless of the entity leading the process.

The process typically begins with system level planning—done in the TPP—which identifies the most promising transit corridors for study and development. The next step is an alternatives analysis aimed at identifying the most appropriate mode and alignment for a corridor. These studies can take two years or more, depending on the number of transit alternatives studied and the level of agreement among corridor stakeholders regarding the preferred alternative. The alternatives analysis process ends with the selection of a locally preferred alternative, which is then amended into the TPP. After a preferred alternative has been selected, planning efforts mature into a project for implementation. In the case of light rail, the Metropolitan Council will usually assume responsibility to carry the project to completion.

The graphic that follows shows the typical project development process for a corridor seeking to implement a transit option as a solution to an identified transportation need.

Transit Corridor Project Development Process



The next step is the design phase, which includes preliminary engineering/environmental review and final design. These steps involve progressively refining and documenting project details and associated project implementation plans and cost estimates. The process involves the Council, MnDOT, local stakeholders and other funding partners such as FTA, the Counties Transit Improvement Board, and one or more regional railroad authorities. When sufficient funding is secured, the project is designed, constructed and opened for revenue service and subsequently will be operated and maintained as part of the region's transit system.

Typical Funding Sources

Transit funding can come from a variety of sources. For capital projects, funding sources most often include federal grants through the FTA, state bonds, metropolitan sales tax from the CTIB, and local property taxes. For operating costs, current sources include fare revenues, state general funds, motor vehicle sales tax revenue, CTIB metropolitan sales tax revenues and federal Congestion Mitigation Air Quality revenues, which can be used in the first three years of new operations. Ongoing capital maintenance costs, on the other hand, are currently paid almost exclusively by regional federal formula funds (approximately 80 percent) and the Metropolitan Council's regional transit capital funds (approximately 20 percent) which are bond funds authorized by the legislature with the debt service paid through the Council's property tax levy. More detailed information about transit funding sources is available in the capacity analysis section and in Appendix 2: Transit Funding Sources.

System Branding

The Metropolitan Council approved a branding framework in 2010 that will unify the LRT and highway BRT services in the Twin Cities region under a single system name and identity, with color names for different lines. The goal is to clearly communicate that users can expect service that it is frequent, fast and reliable, with special vehicles on dedicated running ways. The key is that BRT service will be LRT-like in terms of service quality and service levels (all-day frequent service) and that the connected system allows users to travel throughout the network of color-coded transit lines, in some cases without needing a schedule.

Note that commuter service, such as the Northstar Line, is not included in this system branding because service is not available all day.

Explanation of Remaining Contents

This report has two main sections. First, it contains informational summaries for individual corridors that are undergoing study, planning, design or construction, or already are in operation as a guideway project. Following these corridor summaries, the report takes a 10-year, system-wide view of capital costs, operating costs, and maintenance costs. This part of the report, called the capacity analysis, includes only guideway projects that are in design, construction or operation because only these projects have chosen a guideway mode and have sufficient cost data to meaningfully look ahead 10 years. Seven guideway projects meet the criteria for inclusion in the capacity analysis section of this report: Blue Line (Hiawatha LRT), Blue Line Extension (Bottineau LRT), Northstar Commuter Rail, Red Line (Cedar Avenue BRT), Green Line (Central Corridor LRT), Green Line Extension (Southwest LRT) and Orange Line (I-35W South BRT).

Potential guideway projects that are still in the feasibility or alternatives analysis study phase are not included in the capacity analysis. These corridors are still considering a number of transit alternatives with varying modes and alignments, leading to a wide range of potential capital and operating costs. However, the individual corridor summaries do

include their potential cost ranges, if project costs have been estimated for the corridor. In addition, given that these corridors are still being studied, it is uncertain whether a guideway project will be selected as the preferred transit option for the corridor and whether the project will progress into design and construction during the 10-year timeframe of the capacity analysis. Metropolitan area corridors in the study phase include the following: Gateway (I-94 East), I-35W North, Midtown, Nicollet-Central Urban Circulator, Red Rock, Robert Street, Rush Line, Riverview and Broadway.

Intercity passenger rail projects are also among the group of corridors still in the study phase. Intercity passenger rail projects included in the corridor summaries are the Northern Lights Express corridor from Minneapolis to Duluth, the Twin Cities to Milwaukee High Speed Rail and the Rochester ZIP Rail.

The following pages contain a brief corridor description, ridership estimate, and capital and operating cost summary for each of the guideway projects under study or in design, construction or operation. Note that some tables may not add perfectly due to rounding.

CORRIDORS IN OPERATION, CONSTRUCTION OR DESIGN

I-394 HOT Lane Express Bus Service

Corridor Description

The Interstate 394 HOT lane express bus corridor is 11 miles long and extends from downtown Minneapolis to Minnetonka, including Golden Valley, St. Louis Park and Plymouth. The I-394 transitway opened in 1991 with the region's first high-occupancy vehicle lanes, which were converted to high-occupancy toll lanes as part of the MnPASS express lanes system in 2005.

As a major commuter corridor, I-394 serves a high volume of express bus routes during the morning and afternoon peak travel periods. Currently, 42 express routes operated by six regional providers (Metro Transit, Metropolitan Council, Plymouth Metrolink, SouthWest Transit, Shakopee Transit and Prior Lake Laker Lines) use the I-394 HOT lanes to offer more than 540 daily bus trips serving 31 park-and-ride facilities. Five of the 31 park-and-rides are located immediately on I-394. They are served by 12 of the 42 express routes using the HOT lanes. The other 26 park-and-rides are served by 30 routes linking western and southwestern suburban areas with downtown Minneapolis, the University of Minnesota and other local bus, express bus and transitway service via I-394. In addition to peak commuter service, limited midday and weekend transit service is also provided in the corridor.

In 2012, the routes using the corridor carried more than 3.25 million passengers, an average of about 12,800 riders per weekday.

Project Status and Timeline

The I-394 corridor transitway has been operational since 1991.

Progress Update

In late 2012, a park-and-pool lot was constructed at Highway 12 and County Road 29 in Maple Plain. This lot will operate as a park-and-pool lot to test viability for potential future park-and-ride transit service.

CAPITAL COST AND FUNDING SOURCES

The cost to build I-394 in 1991, including several parking garages to serve both transit and carpoolers on the edge of downtown Minneapolis, was $420 million. The cost to convert the HOV lanes to HOT lanes in 2005 was $10.1 million.

Recent transit-related capital improvement projects undertaken by Metro Transit in the corridor since the 2005 HOT lane conversion include rehabilitation of the Louisiana Transit Center (2007), construction of the park-and-ride ramp at County Road 73 (2009), sign upgrades at multiple facilities (2009), repaving the General Mills Boulevard lot (2009), other facility improvements along I-394 (2010), and construction of a park-and-ride lot at Highway 12 and County Road 29 in Maple Plain (2012).

The combined cost of these projects was $11.9 million, with $8.9 million of funding from state trunk highway bonds and $3 million from Metropolitan Council regional transit capital funds.

Additional park-and-ride expansion is anticipated between 2017 and 2030 but is not included in the Council's current capital improvement plan.

Other future capital projects in the corridor include:

- Phase II rehabilitation work at Plymouth Road Park & Ride planned for 2014. The estimated budget is $1 million.
- Addition of real-time information signs at various I-394 corridor locations.
- Scoping and implementation of an integrated corridor management approach that will add freeway message signs providing transit alternative travel time and park & ride capacity information on several regional corridors. The total project cost estimate is $1,575,000.

ANNUAL OPERATING AND MAINTENANCE COSTS

In 2011, transit routes serving the I-394 corridor cost approximately $20.4 million to operate. This service, along with other standard Metro Transit bus service, is funded with a combination of transit fares, motor vehicle sales tax revenue, and state general funds.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	7.3		7.3	35.8
State (general fund and MVST)	13.1		13.1	64.2
TOTAL	**20.4**		**20.4**	**100**

Other Project Information

LEAD AGENCY

Minnesota Department of Transportation

Project Contact

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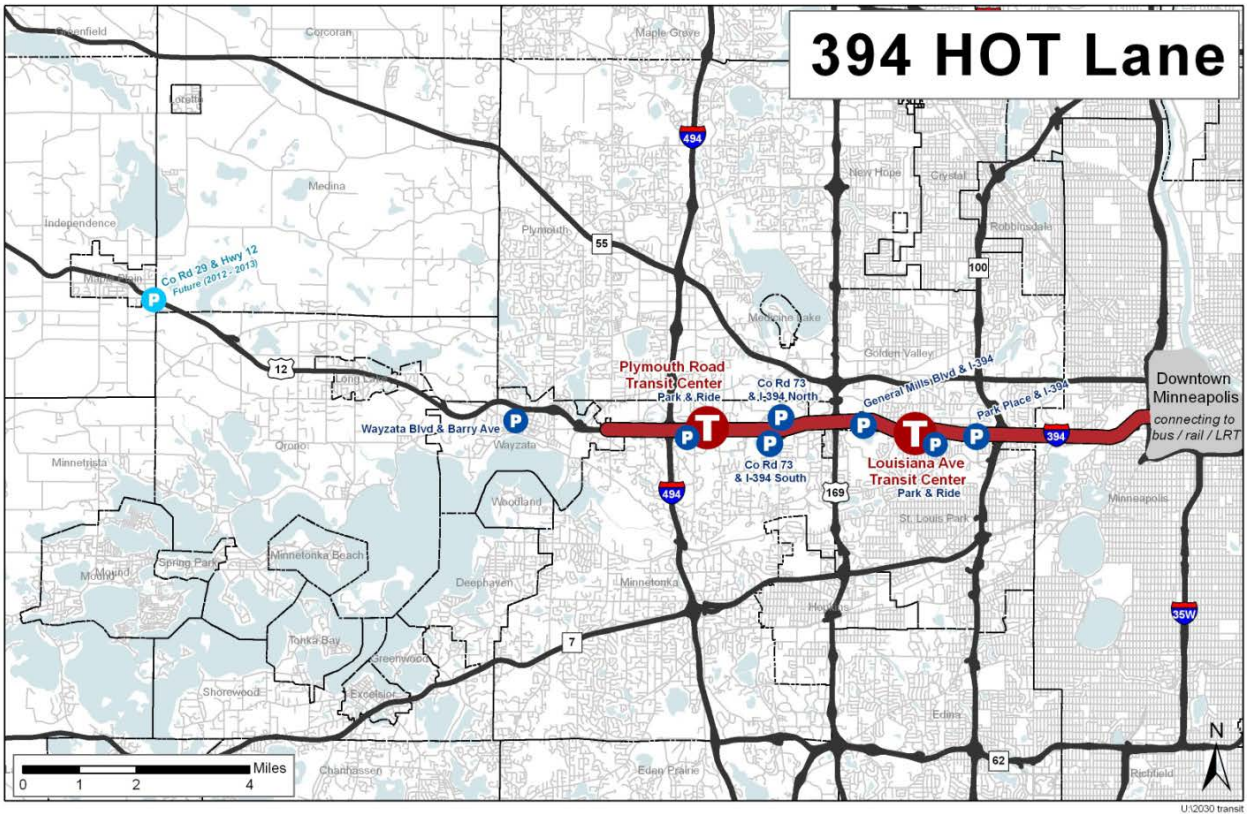
I-394 HOT Lane Map



METRO Blue Line (Hiawatha LRT)

Corridor Description

The Blue Line consists of a 12-mile light-rail transit line linking downtown Minneapolis and the Mall of America via the Minneapolis-St. Paul International Airport. The corridor travels through Minneapolis and Bloomington with 19 stations, including five stations in downtown Minneapolis.

The Blue Line opened for service in 2004. It operates 22 hours a day with train frequencies every 8-10 minutes during rush hours, every 10 minutes during midday, and every 15 minutes in the early evening hours. There are park-and-ride facilities at the Lake Street, Fort Snelling, and 28th Avenue Stations. Connecting bus service is also available at most other stations.

In 2012, the Blue Line carried 10.5 million rides, an average of 31,300 riders per day. The Blue Line connects directly to the Metrodome/Mall of America Field and Target Field/Interchange, with connections to Northstar at the Target Field/Interchange. The Blue Line also provides special event ridership for both Twins and Vikings games.

Project Status and Timeline

The Blue Line was completed in 2004. It was extended to Target Field/Interchange in 2009 to provide service to Target Field and the Northstar Commuter Rail line. This extension was funded as part of the Northstar project.

Progress Update

The Interchange Project located at Target Field is a multimodal connection between the Blue Line LRT and the Northstar Commuter Rail line. The Interchange is planned to accommodate future incoming light rail services including the Green Line (Central Corridor LRT), Green Line Extension (Southwest LRT), and Blue Line Extension (Bottineau LRT). Construction began in 2012, with project completion planned for 2014.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

The Blue Line cost $715.3 million to construct and opened in 2004. Due in part to higher-than-anticipated demand, the following large capital improvements have been made since construction was completion:

- 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

- Light rail vehicle storage building
- Light rail positive train control technology

The cost of these improvements totals approximately $102.1 million, all of which has been committed, with $100 million spent to date and the remainder to be spent in 2014. In addition, the Council's six-year capital improvement plan includes $9.7 million for construction of a park-and-ride expansion at Fort Snelling to be completed in 2016. In total, the capital cost for all major subsequent capital improvements, including programmed future improvements, is $111.8 million. After combining these subsequent improvements with initial construction, the total capital cost for the Blue Line project is $827.1 million.

Capital Funding Sources

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Initial Construction:	715.3	--	715.3	86
Federal	414.1	-	414.1	50
State G.O. Bonds	100	-	100	12
State T.H. Bonds	20.1	-	20.1	2
Metropolitan Airport Commission	87	-	87	11
Hennepin County	84.2	-	84.2	10
Mall of America (in-kind)	9.9	-	9.9	2
Subsequent Improvement:	102.1	9.7	111.8	14
Federal	76.4	7.7	84.1	10
State of Minnesota	1	-	1	<1
Metropolitan Council	24.3	2	26.3	3
Other	0.4	-	0.4	<1
TOTAL	**817.4**	**9.7**	**827.1**	**100**

*Spent as of October 2013

Capital Funding Uses

Budget Activity	Spent to date ($M)*	Projected ($M)	TOTAL ($M)
LRV procurement	74.7	-	74.7
Transitway design-build	269.4	-	269.4
Fare collection equipment	3.6	-	3.6
Capital and equipment	162.3	-	162.3
Project contingency	7.3	4.7	12
Airport segment	143.5	-	143.5
Corridor improvements	49.8	-	49.8
Subsequent capital improvements	101	10.8	111.8
TOTAL	**811.6**	**15.5**	**827.1**

*Spent as of October 2013

ANNUAL OPERATING AND MAINTENANCE COSTS

When the Blue Line opened the net operating funding (after fares) were provided 50 percent through a state general fund appropriation and 50 percent by the Hennepin County Regional Railroad Authority. When the Counties Transit Improvement Board was formed in 2009, the Hennepin County RRA's share was shifted to CTIB. In addition, Minn. Stat. 473.4051 passed in 2009 requiring that "after operating and federal money have been used to pay for light rail operations, 50 percent of the remaining costs must be paid by the state." From 2009 to 2013, due to state budget deficits, the state general fund appropriation has been held constant and did not increase to cover additional operating costs. In fiscal year 2011 the base state general fund appropriation for Blue Line was $5.2 million annually, or approximately 33 percent of net operating costs.

Beginning in FY14 the state provided a general fund appropriation to cover the full 50 percent of the net operating costs, as reflected in the table below. In 2014, the proposed budget for Blue Line LRT is expected to be $29.6 million. With anticipated farebox and other revenues of $11.2 million, the net operating cost is expected to be $18.4 million.

2014 Proposed Operating Budget

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	10. 2	--	10.2	34
State	9.2	--	9.2	31
CTIB	9.2	--	9.2	31
Other revenues**	1	--	1	4
TOTAL	**29.6**	**--**	**29.6**	**100**

**Primarily from Advertising

(Note that percentages in the table below are based on total operating cost, not net operating cost.)

Capital maintenance costs are different from operating costs. Operating costs include vehicle operator salary and benefits, fuel, vehicle cleaning and maintenance and other administrative costs. Annual capital maintenance includes track maintenance, periodic vehicle overhauls, signal work and other smaller-scale capital improvements. Because such costs vary significantly year-to-year, this report takes a multi-year view.

From 2004 to 2013, the Blue Line's average capital maintenance cost was approximately $2.4 million per year. Due to continued heavy use of system equipment and periodic vehicle overhauls, the average annual average amount will increase to $5.3 million per year for the period of 2014 to 2023. After 2023, maintenance costs will continue to rise as equipment ages and vehicle and equipment overhauls are necessary. For more information about capital maintenance costs by year, see the capacity analysis portion of this report.

Other Project Information

LEAD AGENCY
Metropolitan Council (Metro Transit)

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METRO Blue Line Map

Northstar Commuter Rail

Corridor Description

The Northstar Commuter Rail line travels 40 miles from Big Lake in Sherburne County to downtown Minneapolis, where it connects with the Blue Line (Hiawatha LRT) at the Target Field/Interchange Station.

The Northstar line provides 12 weekday trips (six inbound and six outbound, including one reverse commute peak hour trip each morning and afternoon). The line serves six suburban park-and-ride stations on its way to downtown Minneapolis at Big Lake, Elk River, Ramsey, Anoka, Coon Rapids and Fridley. Three roundtrips are offered on weekends.

The Northstar line carried over 700,000 rides in 2012, an average of more than 2,375 riders per weekday. It also provides event rides to Target Field/Interchange Station for Twins and Vikings games.

Project Status and Timeline

The Northstar line was completed in 2009. The project included an extension of the Blue Line from the Warehouse District Station to Target Field Station, where it connects with Northstar.

Progress Update

Since the publication of the prior Guideway Status Report, construction began for the Interchange project located at Target Field. The Interchange is a multimodal connection between the Blue Line and Northstar. In the future, the Interchange is planned to also accommodate other lines, including the Green Line (Central Corridor LRT) in 2014, Green Line Extension (Southwest LRT), and Blue Line Extension (Bottineau LRT). Construction is expected to be complete in 2014. Additionally, since publication of the prior report, a sixth suburban station and park-and-ride was completed in the city of Ramsey.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

The Northstar line was constructed as a New Starts project with the Federal Transit Administration. The initial budget was $320 million, including $2.6 million provided by the Minnesota Twins outside the full funding grant agreement. Fridley station was built concurrently with the overall project but funded separately at a cost of $14.4 million. Similarly, Ramsey station was funded separately and completed in 2012 at a cost of $13.4 million. This brings the total capital cost for the Northstar line to $347.8 million, as shown in the Capital Funding Sources table below.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Initial Cost	320	--	320	92
FTA New Starts	161.9		161.9	46
State of Minnesota	98.6	--	98.6	28
Northstar Corridor Development Authority	51	--	51	15
Metropolitan Council	5.9	--	5.9	2
Other (Minnesota Twins)	2.6	--	2.6	1
Fridley Station	14.4		14.4	4
CTIB	9.9	--	9.9	3
Anoka County RRA	0.6	--	0.6	<1
City of Fridley	3.8	--	3.8	1
Ramsey Station	13.4	--	13.4	4
State of Minnesota	4	--	4	1
Metropolitan Council	1.5	--	1.5	<1
CTIB	3		3	1
Anoka County RRA	1.3	--	1.3	<1
City of Ramsey	3.6	--	3.6	1
Subsequent Improvement:	…	…	…	…
TOTAL	**347.8**		**347.8**	**100**

The initial portion of the project is forecasted to come in under budget by approximately $4.5 million at closeout. This estimated unspent balance is reflected in the Capital Funding Uses table which follows.

Budget Activity	Spent to date ($M)*	Projected ($M)	TOTAL ($M)
Initial Cost	312.8	2.7	315.5
Construction	80.7		80.7
ROW & existing improv.	110.9		110.9
Vehicles	67.7		67.7
Professional services	49.1		49.1
Unallocated contingency	0.3	2.7	3
Finance charges	4.1		4.1
Fridley Station	14.4		14.4
Construction	8.6		8.6
ROW & existing improv.	4.5		4.5
Vehicles	--		--
Professional services	1.3		1.3
Unallocated contingency	--		--
Finance charges	--		--
Ramsey Station	10.8	2.6	13.4
Construction	3.9	2.6	6.5
ROW & existing improv.	5		5
Vehicles	--	--	--
Professional services	1.2	--	1.2
Unalloc. contingency	0.7	--	0.7
Finance Charges	--	--	--
TOTAL	**338**	**5.3**	**343.3**

*Spent as of October 2013

ANNUAL OPERATING AND MAINTENANCE COSTS

Throughout the planning and construction of Northstar, and for federal funding applications, it was assumed that Northstar net operating costs , similar to Blue Line, would be shared 50 percent by local entities (in this case Anoka, Hennepin and Sherburne counties) and 50 percent by the state. With the creation of the Counties Transit Improvement Board in 2008, the Anoka County and Hennepin County shares were transferred to the CTIB to be paid using metropolitan area sales tax revenues. Due to state budget deficits since 2008, no state appropriation for Northstar operating costs has ever occurred, and the 50 percent state share has been paid by the Metropolitan Council (41.95 percent) and MnDOT (8.05 percent) using motor vehicle sales tax funds. The local 50 percent share of net operating costs has been shared by the CTIB (41.95 percent) and Sherburne County (8.05 percent).

In 2014, the budget for the Northstar Line is expected to be $18.2 million. With anticipated farebox revenues of $2.5 million, the expected net operating cost for the line is $15.7 million.

2014 Proposed Operating Budget:

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	2.5	--	2.5	14
Metropolitan Council (MVST)	6.6	--	6.6	36
CTIB	6.6	--	6.6	36
MnDOT (MVST)	1.2	--	1.2	7
Local (Sherburne County)	1.2	--	1.2	7
Other **	0.1	--	0.1	<1
TOTAL	**18.2**	**--**	**18.2**	**100**

**Primarily from Advertising

Note that the percentages in the table below are based on total operating cost, not net operating cost.

Capital maintenance costs are different from operating costs. Operating costs include vehicle operator salary and benefits, fuel, vehicle cleaning and maintenance, and other administrative costs. Annual capital maintenance includes periodic vehicle overhauls, systems upgrades, passenger stations, vehicle maintenance facility improvements and other smaller-scale capital improvements. Because such costs vary significantly year-to-year, this report takes a multi-year view.

For years 2014 to 2023, the average annual capital maintenance cost for Northstar is expected to be approximately $1.3 million per year. These costs will continue to increase as the system ages and vehicle and equipment overhauls are necessary. For more information about capital maintenance costs by year, see the capacity analysis portion of this report.

Other Project Information

LEAD AGENCY
Metropolitan Council (Metro Transit)

Project contact
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Northstar Line (Route 888)

METRO Red Line (Cedar Avenue BRT)

Corridor Description

The Red Line is a bus rapid transitway that extends from the Mall of America in Bloomington to 181st Street in Lakeville, connecting Bloomington, Eagan, Apple Valley and Lakeville. Phase I improvements are complete, and the Red Line launched service in June 2013. The Red Line includes six stations. Four stations are park and ride facilities at the Mall of America, Cedar Grove, Apple Valley Transit Station and Lakeville Cedar at 181st Street. In addition to the park and ride stations there are two walk-up stations located near 140th and 147th Streets in Apple Valley.

Ridership is projected to be 975 daily riders after the first year in June 2014. The current average daily ridership on weekdays is 850, and 500 on weekends.

Future stages 2 and 3 are planned to occur from 2013 – 2030. More detailed information on these stages was published as part of the Cedar Avenue Implementation Plan adopted in December 2010 and amended in June 2011.

Project Status and Timeline

Milestone	Date(s)
Locally preferred alternative	2004
Project development	2006-2008
Engineering	2008-2010
UPA investments	2008-2010
Stage I: Construct park-and-rides	2009-2010
Stage I: Expand BRT express services	2009-2010
Stage I: Construct bus shoulder lanes	2011-2013
Stage I: Construct stations	2012-2013
Stage I: Launch of BRT station-to-station service	June 2013
Stage II	2013-2020
Stage III	2021-2030

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Stage 1 capital costs are currently $111.5 million. Capital costs are funded through a combination of federal, state, local and Counties Transit Improvement Board funds.

Capital Funding Sources – Stage 1

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Federal Sources	43.2		43.2	38.8
State of Minnesota	27.7		27.7	24.8
CTIB	30.0		30.0	26.9
Local	10.6		10.6	9.5
TOTAL	**111.5**			**100**

Capital Funding Uses – Stage 1

Budget Activity	Spent to date ($M)*	Projected ($M)	TOTAL ($M)
Runningway	55.9		55.9
Transit stations	32.9		32.9
Vehicles	6.1		6.1
Vehicle maintenance & facilities	4.4		4.4
Technology	8.7		8.7
Project management	3.5		3.5
TOTAL	**111.5**		**111.5**

*Spent as of August 26, 2013

The implementation plan estimates the capital costs for all three stages of the Red Line at approximately $250 million (2009 dollars) through 2030. This includes $64 million for Stage 2 and $70 million for Stage 3. To date, no funding has been committed for Stage 2 or Stage 3 activities.

ANNUAL OPERATING AND MAINTENANCE COSTS

Express BRT service was expanded in 2009 and 2010. Station-to-station service launched on June 22, 2013. Please note that operations and maintenance costs identified here do not reflect the cost of an entire year of service. The costs reflect budgeted revenues for service beginning on June 22, 2013 through December 31, 2013.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	0.16		0.16	6.3
Federal (CMAQ)	0.97		0.97	38.4
CTIB	1.4		1.4	55.3
TOTAL	**2.53**		**2.53**	**100**

Other Project Information

LEAD AGENCIES

Capital projects/Project Development: Dakota County Regional Railroad Authority
Operations: Metropolitan Council/ Metro Transit
Service Provider: Minnesota Valley Transit Authority

Project contact
Mark Krebsbach
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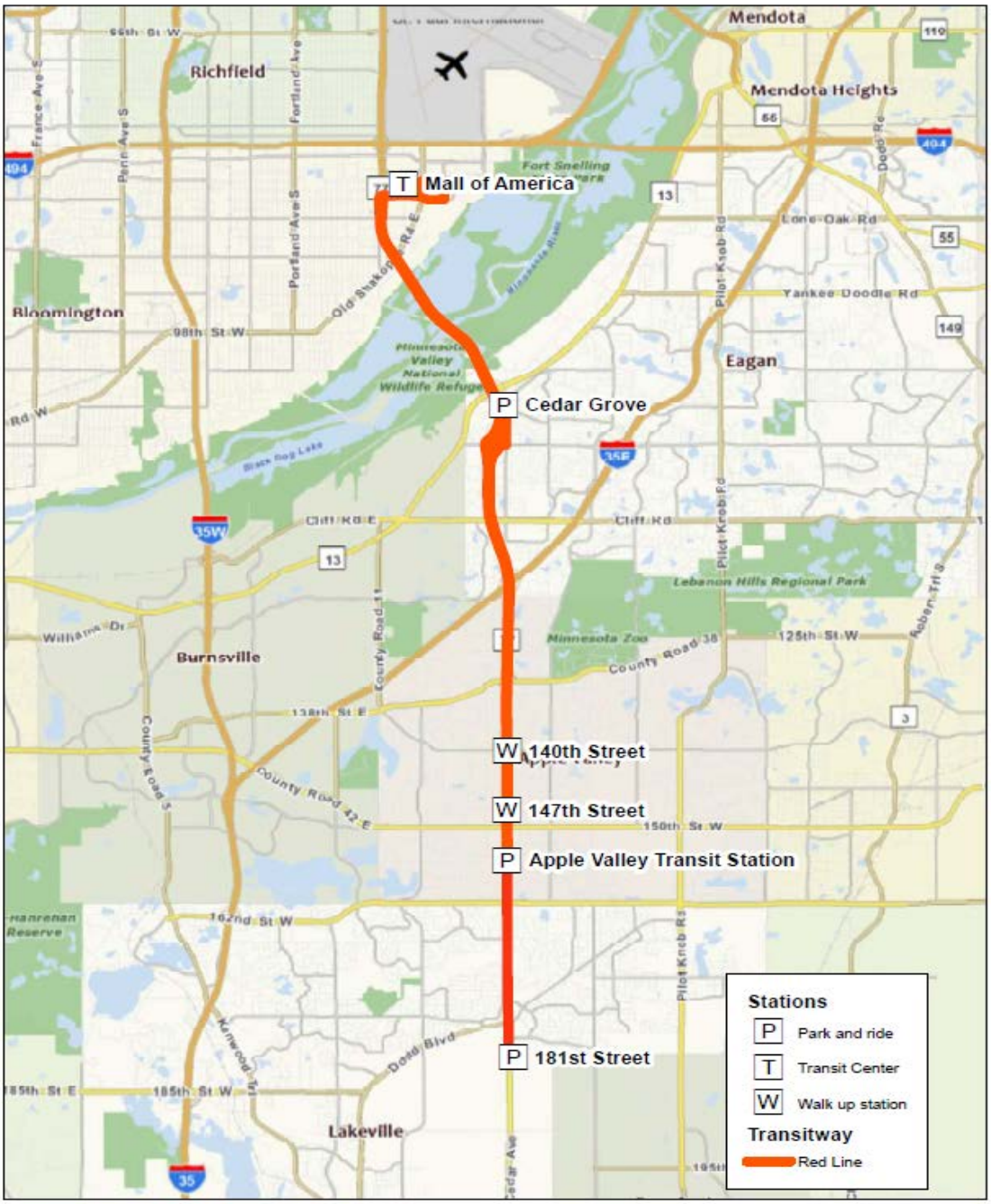
METRO Red Line Map



METRO Green Line (Central Corridor LRT)

Corridor Description

The Green Line is 11 miles long and connects downtown St. Paul and downtown Minneapolis via University Avenue and the University of Minnesota. The corridor also travels through the State Capitol complex and the Midway area. The project will construct 18 new stations and will share five stations with the Blue Line (Hiawatha LRT) in downtown Minneapolis, connecting to the Northstar Commuter Rail line at Target Field Station. The Green Line will also make three stops in downtown St. Paul.

Projections estimate 32,390 average daily trips in 2014 and 40,940 by 2030.

Project Status and Timeline

Example Project Milestones

Milestone	Date(s)
Locally preferred alternative	June 2006
Preliminary Engineering	December 2006 through April 2010
Final design	May 2010 through March 2011
Full funding grant agreement	April 2011
Construction	Late 2010 through 2014
Revenue service	Mid-2014

Progress Update

As of July 2013, the Green Line was 95 percent complete. All major civil construction contracts were substantially complete. Twenty of 45 light rail vehicles had been delivered to the Twin Cities. Production of ticket vending machines was underway and the first ticket vending machines and smart card validators were being pretested. Light rail vehicles have begun running under their own power on segments of the alignment, with integrated testing estimated to be complete by December 2013. The Federal Transit Administration had published the Supplemental Final Environmental Impact Statement.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Capital Funding Sources

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Federal Sources	478.4	--	478.4	50
CTIB	284	--	284	30
State of Minnesota	91.5	--	91.5	10
Ramsey County RRA	66.4	--	66.4	7
Hennepin County RRA	28.2	--	28.2	3
St. Paul	5.2	--	5.2	1
Central Corridor Funders Collaborative	0.5		0.5	<1
Metropolitan Council	2.6	--	2.6	<1
TOTAL	**956.9**	**--**	**956.9**	**100**

Capital Funding Uses

Budget Activity	Spent to-date ($M)*	Projected ($M)	TOTAL ($M)
Construction	474.1	45.0	519.1
ROW, land, existing improvements	29.2	9.2	38.4
Vehicles	76.1	102.2	178.3
Professional services	169.9	21.0	190.9
Unalloc. contingency	0	13.7	13.7
Finance charges	0	16.5	16.5
TOTAL	**749.3**	**207.6**	**956.9**

*Spent as of June 30, 2013

ANNUAL OPERATING AND MAINTENANCE COSTS

The Green Line is forecasted to open mid-year 2014. Operating costs for 2015, the first full year of operation, are estimated at $34.3 million. With anticipated farebox and other operating revenues of $13.1 million, the net operating cost is expected to be $21.2 million. The State of Minnesota (as required under Minn. Stat. 473.4051) and the Counties Transit Improvement Board are each expected to provide 50 percent of net operating costs. For more detail about future operations funding, see the capacity analysis portion of this report. (Note that the percentages in the table below are based on total operating costs, not net operating costs.)

2015 Proposed Operating Budget (first full year of operation)

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	10.1	--	10.1	29
Federal (CMAQ)	2.3	--	2.3	7
State (general fund)	10.6	--	10.6	31
CTIB	10.6	--	10.6	31
Other (advertising)	0.7	--	0.7	2
TOTAL	**34.3**	**--**	**34.3**	**100**

Capital maintenance costs are different from operating costs. Operating costs include vehicle operator salary and benefits, fuel, vehicle cleaning and maintenance, and other administrative costs. Annual capital maintenance includes track maintenance, periodic vehicle overhauls, signal work and other smaller-scale capital improvements. Because such costs vary significantly year-to-year, this report takes a multi-year view.

For years 2014 to 2023, the average annual capital maintenance cost for the Green Line is expected to be approximately $3.3 million per year. These costs will continue to increase as the system ages and vehicle and equipment overhauls are necessary. For detailed information about annual capital maintenance costs, see the capacity analysis portion of this report.

Other Project Information

LEAD AGENCY
Metropolitan Council (Metro Transit)
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Rich Rovang
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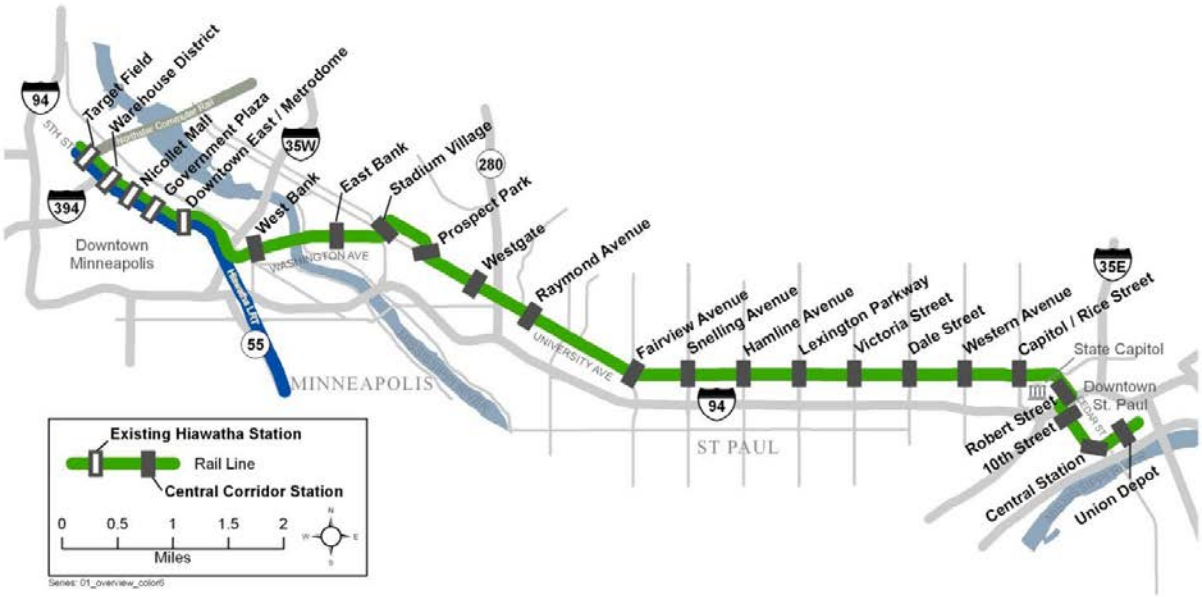
METRO Green Line Map

August 2013



METRO Green Line Extension (Southwest LRT)

Corridor Description

The Green Line Extension is a proposed 15-mile extension of the Green Line (Central Corridor LRT) from downtown Minneapolis through the southwest suburbs of St. Louis Park, Hopkins, Minnetonka and Eden Prairie. The Green Line Extension, as proposed, will have 17 new stations, a fleet of 26 new light rail vehicles, and will connect with the Blue Line (Hiawatha LRT) and Northstar Commuter Rail using Target Field Station at the Interchange.

The combined line will provide direct, high quality LRT access to major activity and employment centers in the region, including Eden Prairie Center Mall, Opus/Golden Triangle employment area, Methodist Hospital, Minneapolis Chain of Lakes, downtown Minneapolis, the University of Minnesota, the State Capitol area and downtown St. Paul. Within a half-mile walk of the Green Line Extension stations are almost 210,000 jobs, 60,000 people in 31,000 households, and more than 31,000 college/university students in 2000. By 2030, 60,000 more jobs, 15,000 more people, and 10,000 more households are expected within a half-mile walk of the Green Line Extension stations.

Project Status and Timeline

The project received approval from the Federal Transit Administration to enter the preliminary engineering phase of project development on Sept. 2, 2011. In April 2013, the FTA transitioned the project from preliminary engineering to project development in response to the implementation of MAP-21. Three current studies will help refine the project's technical scope and budget: additional freight rail relocation analysis, additional water resource/hydrology analysis of shallow LRT tunnels, and a landscaping/greenscaping plan for Kenilworth Corridor following construction of shallow LRT tunnels. Project development is expected to continue for approximately two years.

The following table summarizes the actual and projected achievement of key project milestones.

Milestone	Date(s)
Locally preferred alternative	May 2010
Draft environmental impact statement	Early 2008 – Late 2011
Pre-preliminary engineering activities	Mid 2010 – Late 2011
Preliminary engineering (project development)	2012 – 2013
Final design (engineering)	2013 – 2014
Full funding grant agreement	2015
Construction	2015 – 2017
Revenue operations	2018

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

One-time capital costs for the project are estimated at $1.25 billion (in year-of-expenditure dollars).

Capital Funding Sources

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Federal Transit Administration	0.0	625.0	625.0	50
Counties Transit Improvement Board	55.8	319.2	375.0	30
State of Minnesota	44.0	81.0	125.0	10
Hennepin County Regional Railroad Authority	18.6	106.4	125.0	10
TOTAL	**271.2**	**978.8**	**1.25 B**	**100**

*Capital costs are current as of November 2013, but are expected to be updated in early 2014; three current studies will help to refine the project's technical scope and budget based on additional analysis related to freight rail relocation and the construction of shallow LRT tunnels

Capital Funding Uses

Budget Activity	Spent to date ($M)	Projected ($M)	TOTAL ($M)
Construction	--	682.0	682.0
ROW, land, existing improvements	--	104.0	104.0
Vehicles	--	118.0	118.0
Professional services	--	204.0	204.0
Unallocated contingency	--	112.0	112.0
Finance charges	--	30.0	30.0
TOTAL	--	**1.25 B**	**1.25 B**

ANNUAL OPERATING AND MAINTENANCE COSTS

The Green Line Extension is forecasted to open in late 2018. Operating costs for 2019, the first full year of operation, are estimated at $27.7 million. With anticipated farebox and other operating revenues of $12.1 million, the net annual operating costs are estimated to be $15.6 million, to be shared 50 percent by the state (as required under Minn. Stat. 473.4051) and 50 percent by CTIB. For more detail about future operations funding, see the capacity analysis portion of this report. (Note that the percentages in the table below are based on total operating cost, not net operating cost.)

2019 Proposed Operating Budget (first full year of operation)

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue	--	11.4	11.4	41
State (General Fund)	--	7.8	7.8	28
CTIB	--	7.8	7.8	28
Other revenue - Advertising	--	0.7	0.7	3
TOTAL	--	27.7	27.7	100

Capital maintenance costs are different from operating costs. Operating costs include vehicle operator salary and benefits, fuel, vehicle cleaning and maintenance and other administrative costs. Annual capital maintenance includes track maintenance, periodic vehicle overhauls, signal work and other small-scale capital improvements. Because such costs vary significantly year-to-year, this report takes a multi-year view.

Maintenance costs for the Green Line Extension will be relatively small in the early years of operation but will grow as the system ages. Based on maintenance costs for the early years of the Blue Line (after adjusting for inflation and the length of the Green Line Extension), maintenance costs for the Green Line Extension during the years 2019–2023 are expected to average approximately $2.4 million per year. For more information about capital maintenance costs, see the capacity analysis portion of this report.

Other Project Information

LEAD AGENCY
Metropolitan Council (Metro Transit)

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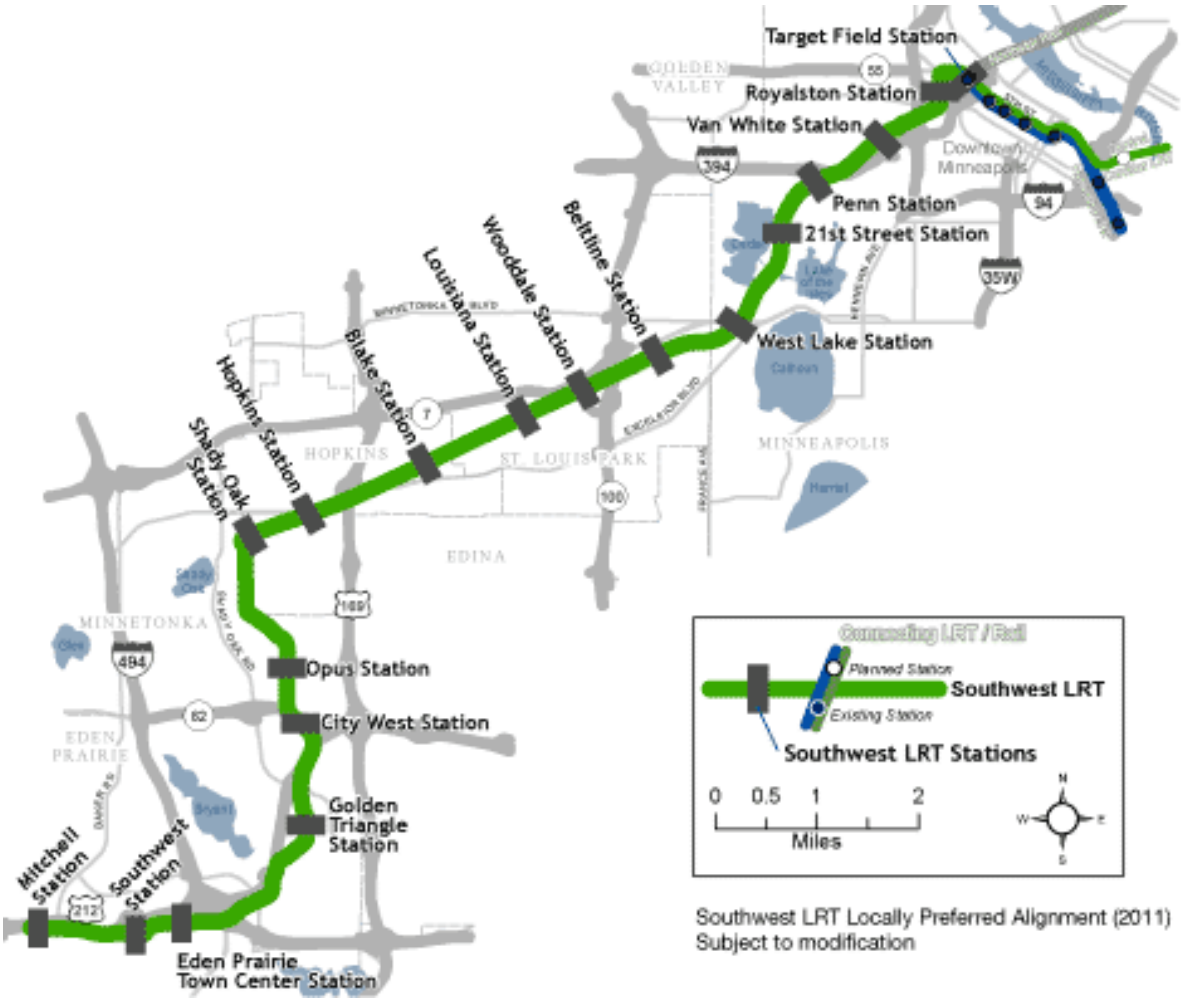
Map of METRO Green Line Extension



Southwest LRT Locally Preferred Alignment (2011)
Subject to modification

METRO Orange Line (I-35W South BRT)

Corridor Description

The 16-mile Orange Line project will utilize roadway improvements, upgraded transit stations and improved bus service to provide fast, frequent, and reliable all-day transit service along I-35W. Buses will travel on Marquette and 2nd Avenues in downtown Minneapolis utilizing congestion-free, transit-only lanes. South of downtown, the Orange Line will provide frequent, limited-stop service to upgraded stations at Lake Street and 46th Street in Minneapolis, 66th Street in Richfield, American Boulevard and 98th Street in Bloomington and the Burnsville Transit Station. Long term, a second phase of the project could extend service and improvements to six additional miles from Burnsville to Lakeville.

Major infrastructure improvements are planned for the Lake Street and American Boulevard stations. The design and construction of these improvements is being coordinated through the I-35W Transit/Access Project and MnDOT's I-494/35W Vision Layout Project. All Orange Line stations will have upgrades in platform ticketing, information technology and passenger amenities.

Numerous investments in the I-35W South corridor have helped to establish strong transit markets for station-to-station and express BRT and major station improvements that are critical to opening Orange Line service. The suite of corridor transit services will continue to benefit from shared capital improvements and complementary service planning.

Express and limited stop services in the corridor currently carry about 14,000 daily rides. Orange Line service is forecast to carry around 10,000 rides each weekday by 2030, for a corridor total of 22,000 daily rides between transitway and express service. Additional ridership forecasting will be completed in 2014.

Project Status and Timeline

BRT is the clear modal choice for this corridor due to multiple decades of bus investments and incremental BRT implementation that has followed MnDOT's I-35W Bus Rapid Transit Study in 2005. The running way for the Orange Line has been developed through several MnDOT projects to install HOV lanes on I-35W between Burnsville and Minneapolis. These projects include the Crosstown Commons reconstruction, concurrent with construction of the 46th Street Station (2009). Several elements of the Orange Line were advanced by the 2007 Urban Partnership Agreement grants from the USDOT and associated local match from state and local sources. The UPA funded conversion of HOV lanes to MnPASS HOT lanes, construction of four transit-only lanes on Marquette and 2nd Avenue, construction of the Kenrick park-and-ride in Lakeville and purchase of buses for express service. The costs of these roadway projects are not included in the overall cost of the Orange Line project below.

Much planning progress has been made on the Lake Street Station, which is currently moving into 60 percent design through the I-35W transit/access project. Conceptual

station planning has begun for 66th and 98th Street stations and for bus capacity expansion at Burnsville Transit Station. At American Boulevard several station locations and alignments are being considered through MnDOT's I-494/I-35W Vision Layout project.

In 2013, Metro Transit is continuing work on station design and updating the project plan for the Orange Line. The process will include engaging community members, transit riders, employers, institutions and other stakeholders. The project plan update will replace the traditional alternatives analysis study, which is no longer required under the MAP-21 federal transportation bill. The project plan update is scheduled to be completed in December 2013.

Milestone	Date(s)
MnDOT BRT study	Jan 2005
UPA/managed lane construction	2008 – 2010
Marquette and 2nd downtown transit lanes open	Dec 2009
BRT Express service to Lakeville	Sep 2009
46th Street Station and UPA/managed lanes open	Dec 2010
Project Plan Update	Jan 2013 – Dec 2013
Project development	2014
Engineering	2015
Construction	2016 – 2018
Revenue service	2019

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Including potential transit-related costs of corridor roadway improvements, the Orange Line project is expected to cost $207.6 million (in 2017 dollars). Funding is anticipated from local, state and federal sources, including participation by the Counties Transit Improvement Board. The project will apply for entry into the federal Small Starts funding program, which can have a maximum contribution of $75 million. Costs will be further refined in late 2013 with the completion of the project plan update and ongoing development of Lake/35W design and the I-494/35W Vision Layout project.

Capital Funding Sources (2017 dollars)

Source	Committed ($M)	Proposed ($M)	Total ($M)	Share (%)
FTA Small Starts		$75.0	$75.0	36%
State of Minnesota		$49.5	$49.5	24%
CTIB		$62.3	$62.3	30%
Local		$20.8	$20.8	10%
TOTAL		**$207.6**	**$207.6**	**100%**

Capital Funding Uses

Budget Activity (2017 dollars)	Spent to date ($M)	Projected ($M)	Total ($M)
Construction		$152.0	$152.0
ROW, land, existing improvements		$5.0	$5.0
Vehicles		$12.5	$12.5
Professional services		$38.0	$38.0
TOTAL		**$207.5**	**$207.5**

ANNUAL OPERATING AND MAINTENANCE COSTS

A significant amount of express and limited bus service existed in the I-35W corridor prior to the UPA improvements, estimated at approximately $15.5 million annually (2010 dollars). This service is funded through fares and the Council's general transit operating revenues. It is anticipated that most of this service and base funding will continue after full implementation of Orange Line.

Orange Line service is expected to begin in 2019. The net operating costs of this station-to-station service are expected to be shared equally between the state (through a new appropriation) and CTIB. Total operating costs of the Orange Line service in 2019 are estimated at $6.7 million, which includes the ongoing maintenance of stations.

2019 Estimated Operations – First Full Year of Service

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Metropolitan Council/MVST		$2.3	$2.3	34%
Farebox revenues		$2.1	$2.1	32%
CTIB		$2.3	$2.3	34%
TOTAL		**$6.7**	**$6.7**	**100%**

Other Project Information

LEAD AGENCY

Metropolitan Council (Metro Transit)

Project contact

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METRO Orange Line Map

METRO Blue Line Extension (Bottineau LRT)

Corridor Description

The Blue Line Extension is a 13-mile corridor extending from downtown Minneapolis to the northwest, through the suburbs of Golden Valley, Robbinsdale, Crystal and Brooklyn Park. It is also expected to serve a broader area to the northwest.

The Hennepin County Regional Railroad Authority is leading the Draft Environmental Impact Statement study for the Blue Line Extension. Alignments considered in the Draft EIS include those following the Burlington Northern Santa Fe Railroad or West Broadway/Penn Avenue through north Minneapolis on the south end of the corridor, and those serving either Maple Grove or Brooklyn Park on the north end. The Draft EIS is expected to be published for public review in late 2013 or early 2014. An application package for entry into the Federal Transit Administration's New Starts project development phase is currently being prepared.

The project completed alternatives analysis and selected light rail transit on the West Broadway in Brooklyn Park/BNSF Corridor/Trunk Highway 55 alignment (Alternative B-C-D1) as the locally preferred alternative in 2013. The locally preferred alternative was adopted into the region's long-range transportation plan, the Transportation Policy Plan, in May 2013.

Ridership is estimated at 27,000 by 2030.

Project Status and Timeline

Milestone	Date(s)
Locally Preferred Alternative	May 2013
Project Development	2014 – 2015
Engineering	2016 – 2017
Full Funding Grant Agreement	2017
Construction	2018 – 2020
Revenue Service	2020

Progress Update

Since the 2012 report, progress has been made on several elements of the Blue Line Extension project. The Draft EIS has been completed by the project team and sent to the FTA for review. A locally preferred alternative was also selected and adopted into the region's long-range transportation plan. Coordination with FTA and local agencies continues regarding entry into project development.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Capital Funding Sources (2017$)

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
FTA New Starts		501.1	501.1	50
Counties Transit Improvement Board		300.7	300.7	30
State of Minnesota		100.2	100.2	10
HCRRA		100.2	100.2	10
TOTAL		**1,002.3**	**1,002.3**	**100**

Capital Funding Uses (2017$)

Budget Activity	Spent to date ($M)*	Projected ($M)	TOTAL ($M)
Construction		523.7	523.7
ROW, land, existing improvements		57.5	57.5
Vehicles		117.1	117.1
Professional services		150.9	150.9
Unalloc. contingency		148.1	148.1
Finance charges		5	5
TOTAL		**1,002.3**	**1,002.3**

*Spent as of July 2013

ANNUAL OPERATING AND MAINTENANCE COSTS

2020 Estimated Operating Costs– First Full Year of Operations

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
Fare revenue		13.5	13.5	40
Federal (CMAQ)		--	--	--
State (general fund)		10.1	10.1	30
CTIB		10.1	10.1	30
Other (advertising)		--	--	--
TOTAL		33.7	33.7	100

Other Project Information

LEAD AGENCY

Hennepin County Regional Railroad Authority

(Metropolitan Council will be the lead agency once the project advances into the project development phase)

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Blue Line Extension (Bottineau LRT) Map

CORRIDORS IN PLANNING OR ANALYSIS PHASES

Gateway Corridor

Corridor Description

The Gateway Corridor generally follows Interstate 94 from Minneapolis/St. Paul through the eastern Twin Cities suburbs to western Wisconsin. The corridor is a vital transportation connection between urban, suburban and rural communities – both for businesses and residents – and provides a link to some of the region's largest employers, as well as the major employment centers in the downtown areas. Today, more than 300,000 people live along the corridor and more than 90,000 vehicles cross the St. Croix River Bridge each day. By downtown St. Paul, the number of commuters reaches 150,000. These current traffic levels exceed the interstate's capacity along several segments. By 2030, the corridor's population is expected to grow by nearly 30 percent with more than 30,000 new jobs.

The alternatives analysis identified a preferred alignment to advance into the draft environmental impact statement for further analysis. The guideway would run adjacent to Hudson Road from St. Paul to Woodbury at Manning Avenue, with continued service west to Minneapolis and future connections east to Hudson, Wisc. The mode (bus rapid transit or light rail transit) will be determined as part of the study. Depending on the mode chosen, ridership estimates range from 8,800 to 9,300 riders per weekday.

Project Status and Timeline

The DEIS began in April 2013 and is expected to take two years to complete. The DEIS will inform decision-makers and the public of the social, economic and environmental impact of each of the alternatives. Necessary alterations will be made to the alternatives, and a single locally preferred alternative will be determined as part of the study and for adoption into the Metropolitan Council's Transportation Policy Plan. The DEIS process will involve the Gateway Corridor Commission, county and city partners, the Metropolitan Council, MnDOT, FTA and community stakeholders.

Milestone	Date(s)
Corridor commission created	2009
Alternatives analysis	August 2010 – February 2013
Draft environmental impact statement	April 2013 – April 2015
Final EIS and record of decision	May 2015 – May 2016
Engineering	May 2015 – May 2018
Construction	May 2018 – May 2021
Revenue service	May 2021

Progress Update

Since the 2012 report the Alternatives Analysis has been completed, advancing two alternatives into the draft environmental impact statement for review and a final decision. The DEIS phase began in April 2013.

Summary Financial Plan

CAPITAL FUNDING SOURCES

The DEIS will cost $3,000,000 and is funded from the following sources.

Source	Amount ($M)
Counties Transit Improvement Board grant to the Washington County Regional Railroad Authority	$2.125
Ramsey County Regional Railroad Authority	$0.875
TOTAL	**$3.000**

ESTIMATED CAPITAL COSTS

The alternative analysis estimated a capital cost range of $404 million for BRT to $922 million for LRT. The costs will continue to be refined as part of the DEIS.

ESTIMATED ANNUAL OPERATING AND MAINTENANCE COSTS

The alternative analysis estimated annual operating and maintenance costs at $9.2 million for BRT and $11.5 million for LRT

Other Project Information

LEAD AGENCY

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Gateway Corridor Map

I-35W North

Corridor Description

The Interstate 35W North Corridor extends from downtown Minneapolis to Forest Lake. Travel in the 26-mile corridor is primarily commuter-oriented during peak hours, with highway volumes of 100,000 vehicles per day north of I-694 and more than 120,000 from Highway 36 to downtown Minneapolis. The corridor includes the communities of Columbus, Forest Lake, Lino Lakes, Blaine, Circle Pines, Lexington, Shoreview, Mounds View, New Brighton, Arden Hills, Roseville, St. Anthony and Minneapolis.

The corridor includes a bus-only shoulder lane between downtown and 95th Avenue in Blaine. More than 5,000 daily rides on nearly 170 transit trips connect to downtown Minneapolis via I-35W North, and approximately half of these come from the direction of 95th Avenue and Forest Lake. The other half come from the direction of Roseville and Maplewood and access the corridor where I-35W and Highway 36 meet.

Project Status and Timeline

A corridor feasibility study was begun in July 2011 to assess traffic volumes, transit ridership and cost estimates for different highway and transit improvements. Many meetings were held with stakeholders from various local governments along the I-35W North Corridor, including city and county engineers, planners, various elected and appointed officials, as well as the general public. The study concluded with a report, issued in spring 2013, outlining a managed lane vision for the I-35W North Corridor and an implementation strategy to achieve this vision. The study identified preferred managed lane concepts as well as improvement strategies at spot locations along the corridor. The study investigated the feasibility of BRT and initial cost estimates for various types of stations, but did not do a detailed implementation plan for BRT.

Summary Financial Plan

COST AND FUNDING

Given the daily congestion levels and operational needs of the corridor, the study recognized that leveraging already scheduled investments for preservation and bridge replacement with safety and mobility dollars could substantially decrease the costs of providing increased benefits to corridor users compared to undertaking the suite of improvements as separate projects. This cost synergy is reflected in the table below.

The study recommended that the I-35W Corridor be implemented in four phases, corresponding to the planned timing for preservation activities along the corridor, with phase one being Hwy 36 through Hwy 10. Additional feasibility studies will identify more detailed investment plans for each phase, and details for implementing BRT.

The I-35W North Managed Lanes Corridor Study estimated the following cost summary for all phases of roadway development. Although roadway improvements would be designed to make the corridor BRT-ready, capital and operating BRT costs are not included in this table.

Source	Estimated ($M)	Share (%)
Managed lane investment	340	48
Preservation investments	250	35
Interchange improvements	90	12
Other 2013-2016 program in corridor	35	5
Corridor investments subtotal	**715**	
Less cost synergy*:	-165	
Corridor Investments TOTAL	**550**	**100**

*By coordinating the schedules of the I- 35W corridor projects, a $165 M cost synergy can be achieved

Other Project Information

LEAD AGENCIES

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Metropolitan Council

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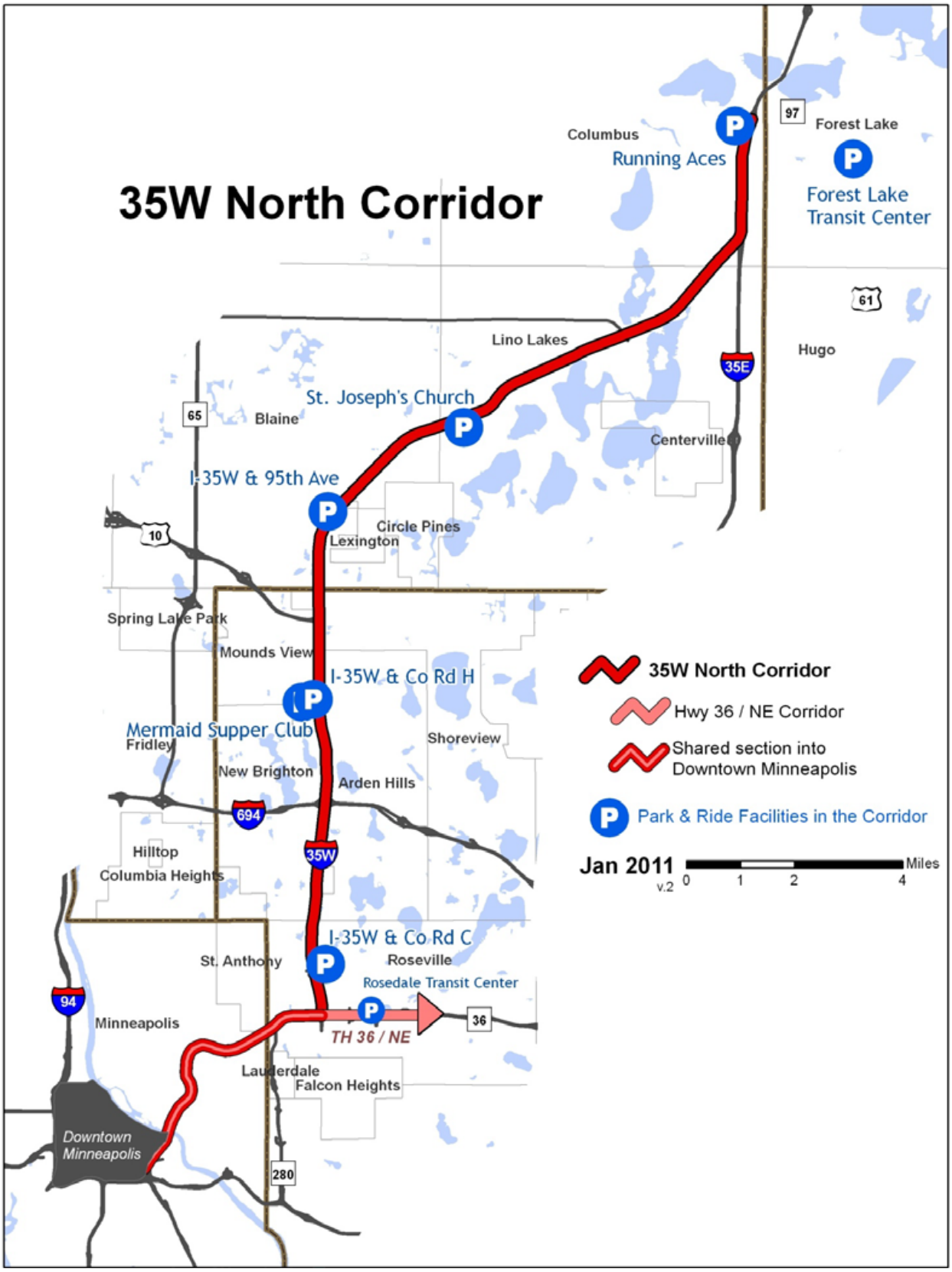
35W North Corridor
Columbus
Running Aces
97
Forest Lake
Forest Lake Transit Center
61
Lino Lakes
Hugo
35E
St. Joseph's Church
65
Blaine
Centerville
I-35W & 95th Ave
10
Circle Pines
Lexington
Spring Lake Park
Mounds View
I-35W & Co Rd H
Mermaid Supper Club
Fridley
Shoreview
New Brighton
Arden Hills
694
35W
Hilltop
Columbia Heights
I-35W & Co Rd C
St. Anthony
Roseville
Rosedale Transit Center
94
Minneapolis
TH 36 / NE
36
Lauderdale
Falcon Heights
Downtown Minneapolis
280
35W North Corridor
Hwy 36 / NE Corridor
Shared section into Downtown Minneapolis
Park & Ride Facilities in the Corridor
Jan 2011
v.2
0
1
2
4
Miles

Midtown Corridor

Corridor Description

The Midtown Corridor travels 4.4 miles through the heart of south Minneapolis along the Lake Street and Midtown Greenway alignments. The corridor features dense residential neighborhoods, a thriving commercial district, several major employers and multiple connections to the regional transit network.

While the corridor is currently served by high frequency local and limited-stop bus routes, traffic congestion and high ridership make transit service very slow. An alternatives analysis initiated in fall 2012 is currently exploring a broad range of options for transit improvements in the corridor. The implementation of improved transit service, combined with associated improvements in customer facilities and vehicles, will increase the speed and attractiveness of transit service in the Midtown Corridor.

Project Status and Timeline

The alternatives analysis began in 2012 and is expected to be completed in February 2014. Once a preferred alternative has been selected, future project work will address environmental analysis, engineering, design and construction.

Progress Update

The project has advanced steadily since 2012, and a detailed analysis is underway for the three remaining alternatives:

- Streetcar in the Midtown Greenway
- Enhanced bus on Lake Street
- A combination of both streetcar in the Midtown Greenway and enhanced bus on Lake Street, with a possible enhanced bus extension into Saint Paul

The detailed definition of alternatives includes developing the service plans, determining travel times, estimating capital and operating costs and preparing for ridership projections. Results of the analysis are expected in the fall of 2013.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Funding for the alternatives analysis, totaling up to $750,000, was secured through a federal grant and regional transit capital funding. The analysis will determine capital costs for development of the transitway. As of May 31, $312,731 of the $740,125 budget (42.3 percent) has been secured.

ANNUAL OPERATING AND MAINTENANCE COSTS

Annual operating and maintenance costs will be determined as part of the alternatives analysis process in fall of 2013.

Other Project Information

AGENGY LEAD

Metropolitan Council (Metro Transit)

Project contact

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Midtown Corridor Map

Nicollet-Central Modern Streetcar

Corridor Description

The Nicollet-Central Modern Streetcar is a 3.4-mile modern streetcar line running between Lake Street and at least 5th Street NE on Nicollet Avenue, Nicollet Mall and Hennepin/1st Avenues. The streetcar is planned to operate as a high-frequency service, serving short trips with stops approximately every quarter mile, running in mixed traffic with cars and buses, and using modern streetcar vehicles similar to those used in Portland, Seattle and Tucson. It will improve transit connectivity between downtown and neighborhoods north of the Mississippi River and south of I-94 and provide improved circulation along Nicollet Mall for employees, visitors and shoppers. The 3.4-mile modern streetcar starter line is projected to generate over 9,000 regular weekday riders.

Project Status and Timeline

An alternatives analysis for a 9-mile study corridor was completed in September 2013. The study concluded with a recommendation that the most promising initial transit improvement for the corridor was a 3.4-mile modern streetcar line running between Lake Street and at least 5th Street NE on Nicollet Avenue, Nicollet Mall and Hennepin/1st Avenues, using the Hennepin Avenue Bridge to cross the Mississippi River. The 3.4-mile Nicollet-Central Modern Streetcar was recommended by the Minneapolis City Council, with the support of an interagency policy advisory committee, to the Metropolitan Council in October 2013. Minneapolis is also in the process of initiating an environmental assessment for the 3.4-mile project in fall 2013 and anticipates concluding the process in spring/summer 2014.

Milestone	Date(s)
Corridor-related transit studies	2005-2012
Alternatives analysis	2012-2013
Locally preferred alternative recommendation	October 2013
Environmental assessment	Fall 2013-Spring/Summer 2014
Engineering	2014-2015
Construction	2016-2017
Revenue service	Late 2017

Progress Update

Since the 2012 report, Minneapolis completed an alternatives analysis for the corridor and recommended that the 3.4-mile starter line be adopted as the locally preferred alternative in the Metropolitan Council's Transportation Policy Plan. In addition, Minneapolis established a value capture district in June 2013, by which future tax revenues generated in the near term from planned development on five specified blocks can be dedicated to funding the capital costs (including planning, engineering, vehicle acquisition, property acquisition and construction) of the Nicollet-Central Modern Streetcar. The district will allow the city to issue construction bonds for up to $60 million toward the streetcar

project. District revenues may not be used for streetcar operating costs. The state enacted enabling legislation for the value capture district in May 2013.

Summary Financial Plan

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

Capital costs to complete the 3.4-mile Nicollet-Central Modern Streetcar are estimated at $205 million (in 2017 dollars). Professional services for the work initiated to date (the alternatives analysis and environmental assessment) have been funded through a $900,000 grant through the FTA Alternatives Analysis program and a $300,000 local match from Minneapolis. Funding for the remaining $204 million in capital costs has not been secured; however, Minneapolis is working with regional partners to pursue the following funding sources: federal sources appropriate for streetcar projects, such as FTA Small Starts and/or the discretionary TIGER grant program; Minneapolis funds, such as the value capture district established for the Nicollet-Central streetcar project; and regional sources, such as revenue from a potential future expansion of the transit sales tax similar to that supported by the governor and senate during the 2013 Minnesota legislative session.

Capital Funding Sources

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
City of Minneapolis	0.3	25-75	25-75	12-37
Federal AA grant	0.9		0.9	<1
FTA Small Starts and/or TIGER		25-75	25-75	12-37
Regional sources		75-125	75-125	37-61
TOTAL	**1.2**	**204**	**205**	**100**

Capital Funding Uses

Budget Activity	Spent to date ($M)*	Projected ($M)**	TOTAL ($M)
Guideway		21	21
Stations/stops		6	6
Support facilities		12	12
Site work and special conditions		28	28
Systems		20	20
Right-of-way		4	4
Vehicles		54	54
Professional services	0.8	26	27
Contingency		33	33
Finance charges		n/a	n/a
TOTAL	**0.8**	**204**	**205**

*Spent as of October 2013

** Projected costs are estimated in 2017 dollars

ANNUAL OPERATING AND MAINTENANCE COSTS

The estimated annual operating and maintenance cost for the 3.4-mile streetcar is $10.6 million in 2013 dollars, excluding an estimated $2.3 million reduction in corridor bus operating costs; thus, the net increase in estimated operating and maintenance costs is $8.3 million in 2013 dollars.

Other Project Information

LEAD AGENCY

City of Minneapolis

Project contact

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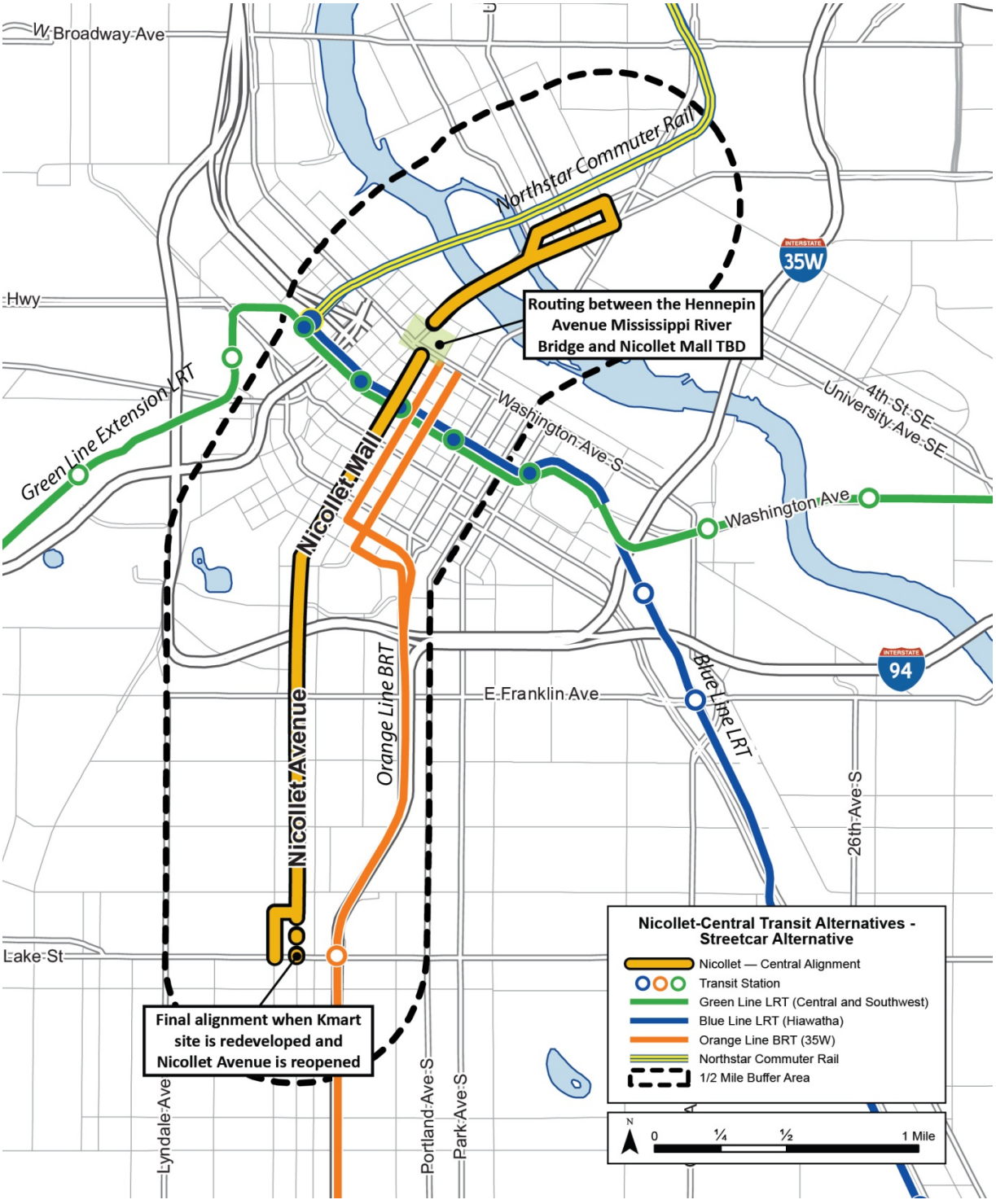
Nicollet-Central Modern Streetcar Map



Red Rock Corridor

Corridor Description

The Red Rock Corridor is a 30-mile commuter corridor connecting Hastings, downtown St. Paul at the Union Depot and downtown Minneapolis. The corridor generally follows the alignments of U.S. Highway 61 and Interstate 94 and the BNSF and CP railways. The corridor runs through the communities of Cottage Grove, Denmark, Hastings, Newport, St. Paul Park, St. Paul and Minneapolis.

The Metropolitan Council projections for 2030 show the entire length of Highway 61 in the study area as a congested corridor. With the projected traffic growth and no planned improvements, all key locations on Highway 61, including ramps and intersections, are forecast to operate at Level of Service F during both peak periods in year 2030.

The existing bus service is equally affected by congestion on Highway 61 and I-94. No transit alternative is currently available from Hastings to downtown St. Paul or downtown Minneapolis. As population and employment increase, demand for transportation also increases. Because of job growth in Minneapolis and St. Paul, increased mobility and greater access to employment is needed for both downtowns. The project would also provide system connectivity to increase transit destinations for persons using existing and planned transit systems in the Twin Cities area.

A preliminary alternatives analysis completed in 2007 recommended expanding bus service, increasing bus frequency and providing additional park and ride facilities as the first steps toward building a stronger transit base in the corridor. A commuter rail line was identified as the long-term transit option. The study is now undergoing an update, and a bus rapid transit option is also being looked at as a viable alternative. The study will conclude by the end of 2013 and will provide a clearer picture of the transitway concept that best meets the established public purpose for the investment.

The preliminary alternatives analysis estimated ridership in the range of 900 to 3,200 riders per weekday, depending on the transit mode. Ridership projections are currently being updated as part of the alternatives analysis update study.

Project Status and Timeline

An alternatives analysis update began in 2013. This will establish measureable goals and objectives by which the various alternatives, including commuter rail, BRT and express bus, will be evaluated.

A locally preferred alternative has not yet been selected for this corridor or included in the region's Transportation Policy Plan. Interim capital improvements that benefit commuters and bus services are being made, including the construction of the Hastings park-and-pool and the Newport park-and-ride.

Below is a summary of actual and anticipated project milestones.

Milestone /Activities	Date(s)
Preliminary alternatives analysis	2007
Commuter bus feasibility study	2009
Station area master planning	2009 - 2011
Hastings park and pool	2012
East Metro rail capacity analysis	2011-2012
Newport Transit Station	2013
Alternatives analysis update	2013

Progress Update

The alternatives analysis update has begun since the 2012 Guideway report. A list of goals and objectives, as well as their measureable guidelines, has been drafted. The next stage in the process involves analyzing the various alternatives based on how well they meet the established goals and objectives.

Summary Financial Plan

CAPITAL COST AND FUNDING SOURCES

The preliminary alternatives analysis estimated capital costs to range from $18 million (2007 dollars) for express bus to $622 million for commuter rail. These costs will be reevaluated as part of the alternatives analysis update. The preliminary analysis cost $650,000 and was funded by federal sources ($520,000) and the Red Rock Corridor Funding Partners ($130,000). The Hastings park-and-pool cost $600,000 and was funded entirely by state bonds.

The state of Minnesota also awarded $400,000 in bonds for the East Metro Rail Capacity Study. The bonds were used as the local match for an overall FTA appropriation for the Red Rock Corridor. The study (one of four planning studies funded through the grant) assessed improvements that will be needed to accommodate increasing freight rail demand and the anticipated expansion of passenger rail service in the Red Rock and intersecting rail corridors. The study was completed in 2012.

Altogether, the preliminary alternatives analysis, Hastings park-and-pool, East Metro Rail Capacity Study, commuter bus feasibility study, station area master planning, Newport Transit Station and alternatives analysis update were funded as follows:

Capital Funding Sources

Source	Amount ($M)
Federal sources	3.1
Red Rock Corridor Funding Partners (Dakota, Hennepin, Washington and Ramsey County Regional Railroad Authorities)	1.1
Washington County Regional Railroad Authority	0.8
Counties Transit Improvement Board	4.1
State (general obligation bonds)	2.8*
Total	11.9

*An additional $1.8 million in state G.O. bonds was allocated to the Newport Transit Station through the 2011 legislative session as part of the Metropolitan Council's Transit Capital Improvement Program ($500,000 directly and $1.3M reallocated from the Gateway Corridor at the request of Washington County).

ANNUAL OPERATING AND MAINTENANCE COSTS

The Alternatives Analysis estimated annual operating and maintenance costs to range from about $3.4 million (2007 dollars) for express bus service to $6.7 million for commuter rail service from Hastings to downtown St. Paul. These costs will be reevaluated as part of the AAU.

Other Project Information

LEAD AGENCY

WCRRA on behalf of the Red Rock Corridor Commission

Project contact

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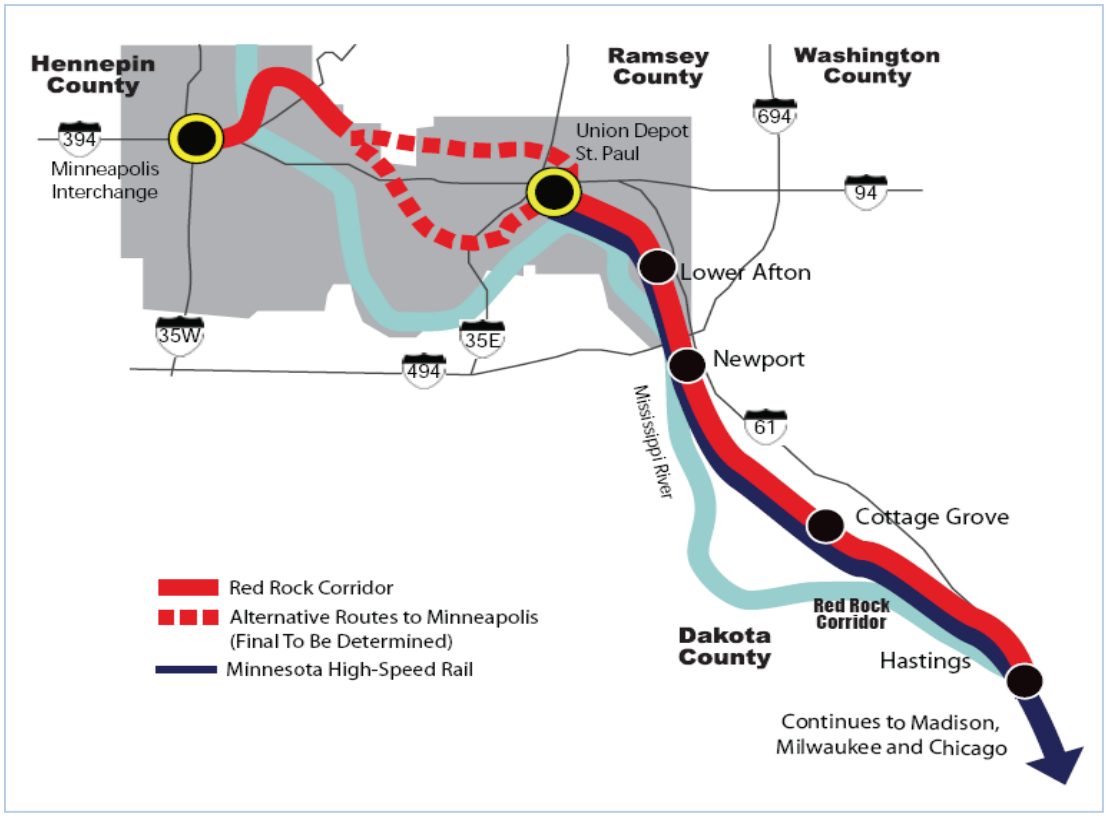
Red Rock Corridor Map



Robert Street Corridor

Corridor Description

The Robert Street Transitway, as defined by the 2030 Transportation Policy Plan, extends from downtown St. Paul, generally along the alignment of Robert Street. However, the transitway study area includes areas bounded on the north by downtown St. Paul/I-94, the Mississippi River to the east, I-35E to the west and County Road 42 to the south. The transitway study area includes St. Paul, West St. Paul, South St. Paul, Sunfish Lake, Mendota, Lilydale, Mendota Heights, Inver Grove Heights, Eagan and Rosemount.

The Dakota County Regional Railroad Authority completed a transit feasibility study in November 2008. The DCRRA and the Ramsey County Regional Railroad Authority are jointly conducting an alternatives analysis of the study area, with completion expected in early 2014.

Project Status and Timeline

The Robert Street Transitway is conducting a federally compliant alternatives analysis to determine a locally preferred alternative. This process is overseen by a project steering committee with representatives from St. Paul, West St. Paul, South St. Paul, Mendota Heights, Eagan, Inver Grove Heights, Rosemount, Dakota County, Ramsey County, MnDOT and the Metropolitan Council. The alternatives analysis began in June 2012 and is expected to conclude in early 2014. Work on preliminary engineering and an environmental analysis is anticipated to begin by late 2014.

Milestone	Date(s)
Locally preferred alternative	January 2014
Project development	November 2014 – November 2016

Progress Update

The alternatives analysis is approximately two-thirds complete and is evaluating three remaining alternatives:

- Arterial BRT operating primarily on Robert Street between downtown St. Paul and Mendota Road in West St. Paul.
- Streetcar operating primarily on Robert Street between downtown St. Paul and Mendota Road in West St. Paul.
- Highway BRT operating on Hwy 52 between downtown St. Paul and Inver Grove Heights near Inver Hills Community College.

Remaining tasks focusing on detailed ridership estimation, area service planning, and evaluation of land use and environmental effects will be carried out through the end of the year. Designation of a locally preferred alternative by the steering committee is expected early 2014.

Summary Financial Plan

Detailed estimates of capital and operating costs are under development and will be completed by the end of the alternatives analysis. The mode selected for the locally preferred alternative will determine the scale of costs, as well as the eligible funding sources.

CAPITAL COST, FUNDING SOURCES AND BUDGET ACTIVITIES

The alternatives analysis is federally funded through the FTA Section 5339 program. The local match for the awarded grant is provided by the DCRRA and RCRRA.

Capital Funding Sources

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
FTA Section 5339	1.18	--	1.18	80
Dakota County RRA	0.15	--	0.15	10
Ramsey County RRA	0.15	--	0.15	10
TOTAL				**100**

Other Project Information

LEAD AGENCIES

Dakota County Regional Railroad Authority
Ramsey County Regional Railroad Authority

Project contact

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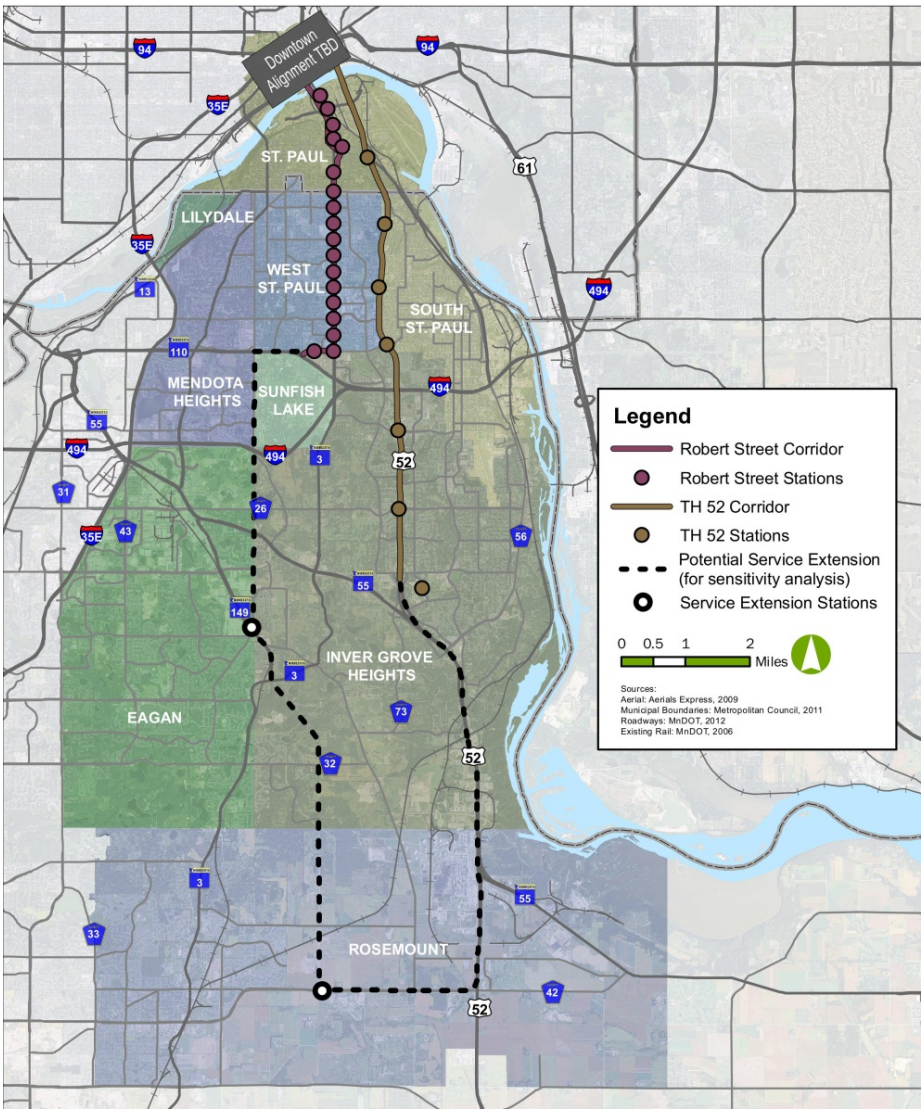
Robert Street Corridor Map



Rush Line Corridor

Corridor Description

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

The Rush Line Corridor Alternatives Analysis Study, completed in November 2009, 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:

- BRT on I-35E/I-35 from Union Depot north to Forest Lake/Columbus
- LRT on Ramsey County Regional Railroad Authority right-of-way from Union Depot north to Highway 96 in White Bear Lake.

Following input from the public, the Rush Line Corridor Task Force concluded that both alternatives should continue to be analyzed to more accurately determine the impacts, benefits, costs and ridership for each alternative, with the goal of selecting a single alternative for advancement. In 2013 the Rush Line Corridor task force will release a request for proposals for a pre-project development study. This study will complete the additional analysis necessary to select a single locally preferred alternative. The study is expected to take 18 months to complete.

The 2009 alternatives analysis estimated ridership of 7,270 riders per weekday by 2030 for BRT and 8,800 riders per weekday for LRT.

The commuter bus demonstration project was transitioned from the Rush Line Corridor Task Force to Metropolitan Council in December 2012. The route (275) continues to operate as part of the regional transit system.

Project Status and Timeline

Milestone	Date(s)
Transit feasibility study	2001
Alternatives analysis study	November, 2009
Demonstration commuter bus service	October 2010 - December 2012
Pre-project development study/LPA	December 2013 - September 2015
Draft environmental impact statement	2015-2017

Progress Update

The Rush Line Corridor has secured federal and local funding for the completion of a pre-project development study. This study will begin in December 2013 and take 18 months to complete. It will further analyze both the LRT and BRT alternatives identified for further analysis as part of the 2009 Rush Line Corridor Alternatives Analysis. Following completion of the pre-project development study a locally preferred alternative will be selected and advanced into a draft environmental impact statement.

Summary Financial Plan

CAPITAL COST

Capital cost estimates were developed as part of the 2009 alternatives analysis. BRT had a cost estimate of $190 million and LRT had a cost estimate of $442 million (in 2008 dollars). Approximately $1 million has been spent to complete the feasibility and alternatives analysis studies. The pre-project development study is estimated to cost $1.5 million.

ANNUAL OPERATING AND MAINTENANCE COSTS

The Rush Line Corridor Alternatives Analysis Study estimated annual operating and maintenance costs at $16.3 million for BRT and $17.9 million (in 2008 dollars) for LRT.

Other Project Information

LEAD AGENCY

Rush Line Corridor Task Force

Project contact

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Rush Line Corridor Map

Riverview Corridor

Corridor Description

The Riverview Corridor is 12.3 miles long and connects downtown St. Paul to Minneapolis-St. Paul International Airport and the Mall of America. It is defined by the Mississippi River on the south, I-35E and the river valley bluff on the north, with termini at Union Depot and the Mall of America. The corridor roughly parallels West Seventh Street and the Canadian Pacific Railroad in St. Paul and Hwy 5 to the airport and Mall of America.

The Riverview Corridor Major Investment Study that concluded in July 2000 was sponsored by RCRRA and the Federal Transit Administration. The MIS did not recommend an alternative but instead provided a focused analysis and evaluation of the mobility needs in the corridor and possible solutions.

Due to significant planned and completed redevelopment, as well as increasing employment along the corridor, in 2013 corridor partners determined it was appropriate to pursue additional analysis of transitway alternatives for the corridor.

Project Status and Timeline

Milestone	Date(s)
Major Investment study	2000
Pre-project development study/LPA	February 2014 - September 2015
Draft Environmental Impact Statement	2015-2017

Progress Update

The Riverview Corridor has secured local funding for the pre-project development study. The study will begin in February 2014 and take 18 months to complete. It is funded by RCRRA ($1,500,000). Following completion of the pre-project development study a locally preferred alternative will be selected and advanced into a draft environmental impact statement.

Summary Financial Plan

CAPITAL COST

Capital costs depend on potential transit routes and alignments in the transitway, as determined by the pre-project development study.

ANNUAL OPERATING AND MAINTENANCE COSTS

Operating and maintenance costs depend on potential transit routes and alignments in the transitway, as determined by the pre-project development study. Estimated annual operating costs for modes identified in the transit feasibility study range from $10 million to $23 million (2007 dollars). Potential funding sources include the Counties Transit Improvement Board and Metropolitan Council transit operating funds.

Other Project Information

LEAD AGENCY

Ramsey County Regional Railroad Authority

Project contact

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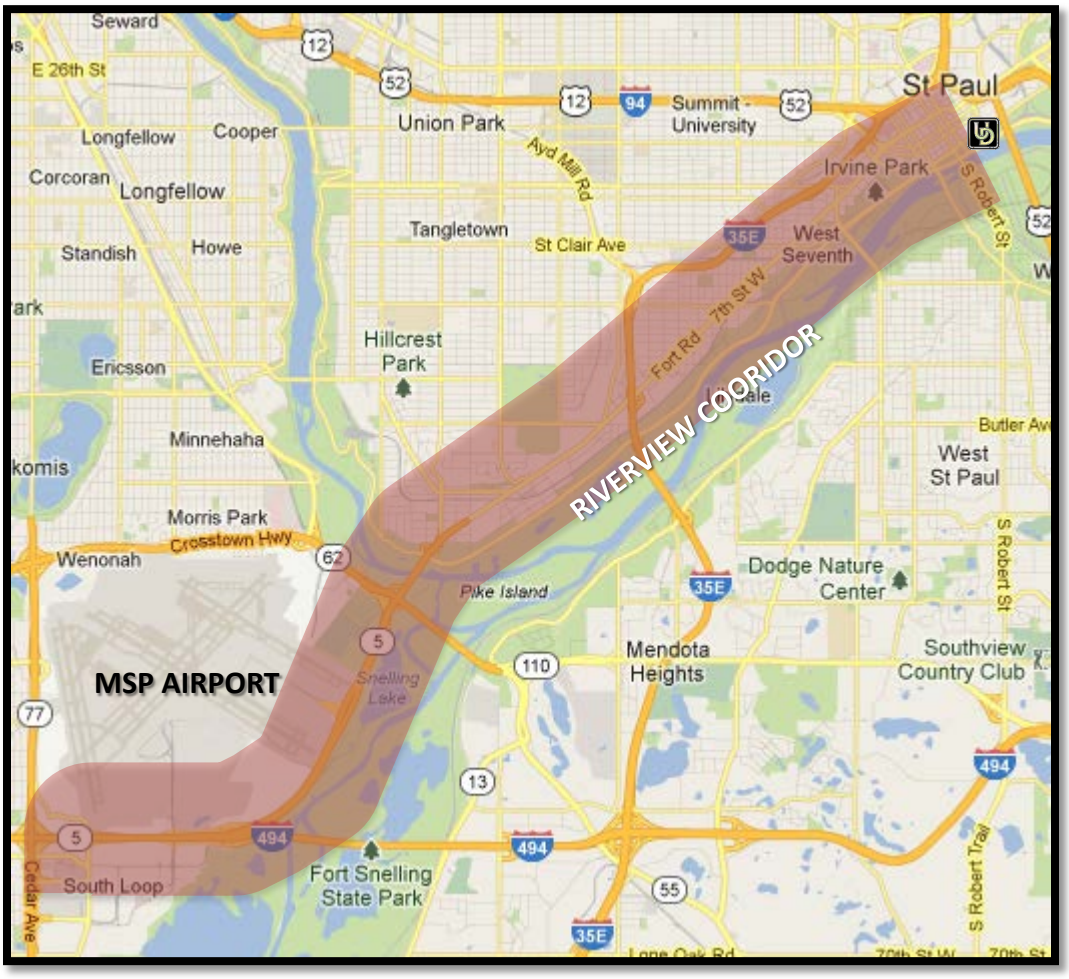
Riverview Corridor Map



West Broadway Corridor

Corridor Description

The six-mile West Broadway Corridor runs along West Broadway Avenue in north Minneapolis and connects to downtown Minneapolis and the Robbinsdale Transit Center. The corridor was included as a potential alignment in the previous Bottineau corridor study but not recommended due to fixed guideway traffic, parking and geometric impacts along the West Broadway section.

Metro Transit is initiating a transit alternatives study in late 2013 to evaluate bus improvements and streetcars along the corridor. Unlike past studies that evaluated larger geographic areas or specific modes, the planned study will focus on comparing mixed-traffic bus or streetcar improvements along the corridor. An innovative form of community engagement is under development and the planned study will be the first transit alternatives study to use this model. The study will also take a more detailed look at economic development potential spurred by the transit project than past work.

Corridor ridership was estimated in past studies of the corridor. Current corridor ridership is approximately 4,200 daily rides. The Minneapolis Streetcar Feasibility Study (2007) estimated 4,400 to 5,300 daily rides in the corridor with streetcar improvements. The Metro Transit Arterial Transitway Corridor Study (2012) estimated 5,200 daily corridor rides in 2030 with bus rapid transit improvements.

Project Status and Timeline

If the study proposes a major capital investment, project development and construction could proceed over a 4-7 year period, subject to available funding.

Milestone	Date(s)
Antecedent studies	2007-2012
Cooperative funding agreement, study advertisement, and kickoff	Fall 2013
Transit alternatives study	December 2013 to January 2015

Progress Update

The West Broadway corridor was not included in the Fixed Guideway (2012) report. This new initiative began development in 2013 and is currently developing an interagency funding agreement for the study phase. Once the funding agreement is adopted, a study contract will be advertised for proposals.

Summary Financial Plan

The West Broadway Transit Study has an estimated cost around $600,000 and is planned to be funded through a partnership between Minneapolis, Hennepin County and the Metropolitan Council. The project will be led by Metro Transit, which will further contribute study project management staff costs. Private funding is anticipated to support an integrated community engagement grants program.

Detailed costs are not yet developed for the proposed project. Past study of the corridor through other efforts estimated capital and operating costs as follows:

- Minneapolis Streetcar Feasibility Study: $154 million capital and $3.2 million for operations and maintenance
- Metro Transit Arterial Transitway Corridors Study: $18 million BRT capital and $2.46 million for operations and maintenance

Sources, uses and amounts of capital funding will depend on the chosen mode and alignment of a major capital investment in the West Broadway corridor. A mix of state, local, regional and federal funds can be anticipated to be requested for corridor project planning, design, engineering and construction. Local and federal funds are anticipated to pay for the cost of the transit alternatives study.

As of August 2013, no funds have been expended on the project or the study.

Other Project Information

LEAD AGENCY
Metropolitan Council (Metro Transit)

Project contact
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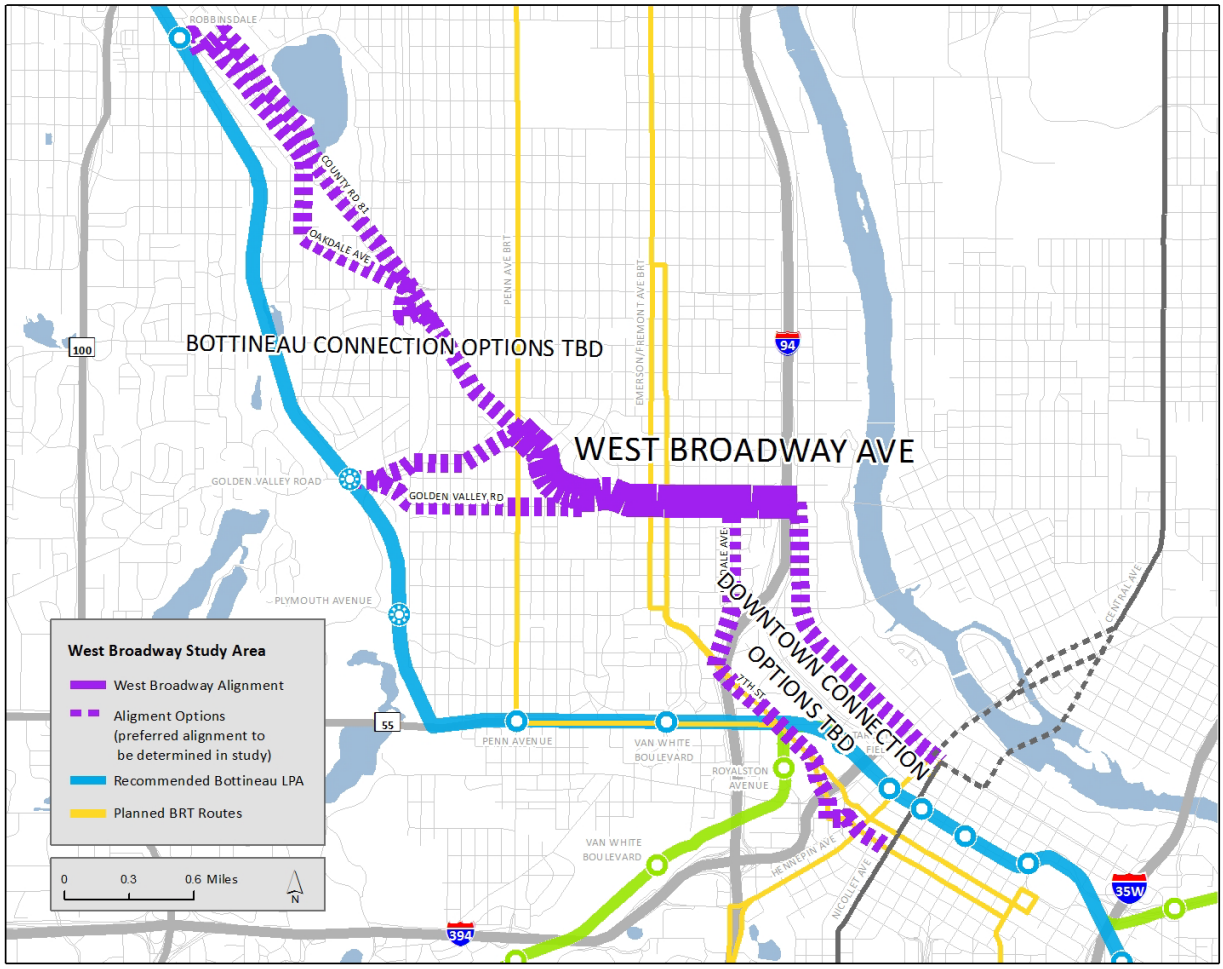
West Broadway Corridor Map



Intercity Passenger Rail Corridors

Northern Lights Express - Minneapolis to Duluth High Speed Passenger Rail

Corridor Description

The Northern Lights Express (NLX) is a 155-mile transportation corridor that follows Highways 65 and 23 in Minnesota and State Highway 35 in Wisconsin. This corridor is on existing BNSF track with a direct link between Minneapolis and Duluth via Coon Rapids, Cambridge and Hinckley, Minn. and Superior, Wisc. The Minnesota Comprehensive Statewide Freight and Passenger Rail Plan (2010) identifies this corridor as a phase I project for high-speed intercity passenger rail (service), providing up to eight round trips per day, with speeds up to 110 mph.

Project Status and Timeline

This project completed a Tier 1 Service Level Environmental Assessment. A finding of no significant impact and state negative declaration are anticipated August 2013. The NLX Service Development Plan was completed in March 2013. The following table summarizes the actual and projected timelines of key milestones.

MILESTONE	DATE
Feasibility studies	2000 through late 2007
Preferred route concurrence (FRA)	July 2011
Final Tier 1 EA	March 2013
Service Development Plan	March 2013
FRA Tier 1 EA determination/Minnesota negative declaration	August 2013
Preliminary engineering/Tier 2 NEPA	August 2013 through February 2016
Ridership analysis/forecast/BCA/financial plan	August 2013 through December 2015
Station and layover facility location	December 2013 through December 2015
Tier 2 project level NEPA	December 2013 through January 2016
FRA Tier 2 EA determination	January 2016

If sufficient funding is secured, final design, construction and vehicle procurement could take place upon completion of preliminary engineering and Tier 2 project level environmental review. Operations could begin 2019-2020.

Capital Costs

The estimated capital cost for improvements to the preferred route, as part of conceptual engineering, ranges from $885 million to $998 million, depending on "soft costs" and the number of train sets purchased. A combination of Federal Railroad Administration and state bond funds would be sought.

Progress Update

Since the last report, the Tier 1 Service Level Environmental Assessment was published, a public hearing was conducted and public comments were taken. The responses to comments were compiled along with a draft state decision document, findings of fact, and negative declaration. The publications of both the FONSI and negative declaration were issued in August 2013.

Summary Financial Plan

Below is a breakdown of funding sources and uses related to some major project milestones. Other milestones for which funding will be needed include final design, construction and vehicle procurement.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)	Share (%)
FRA	$5.5M		$5.5M	63%
State of Minnesota	$3.275M		$3.275 M	37%
TOTAL	**$8.775M**		**$8.775M**	**100%**

Other Project Information

PARTNERING AGENCIES

Minnesota Department of Transportation
Federal Railroad Administration
Minneapolis to Duluth/Superior Passenger Rail Alliance

Project contact

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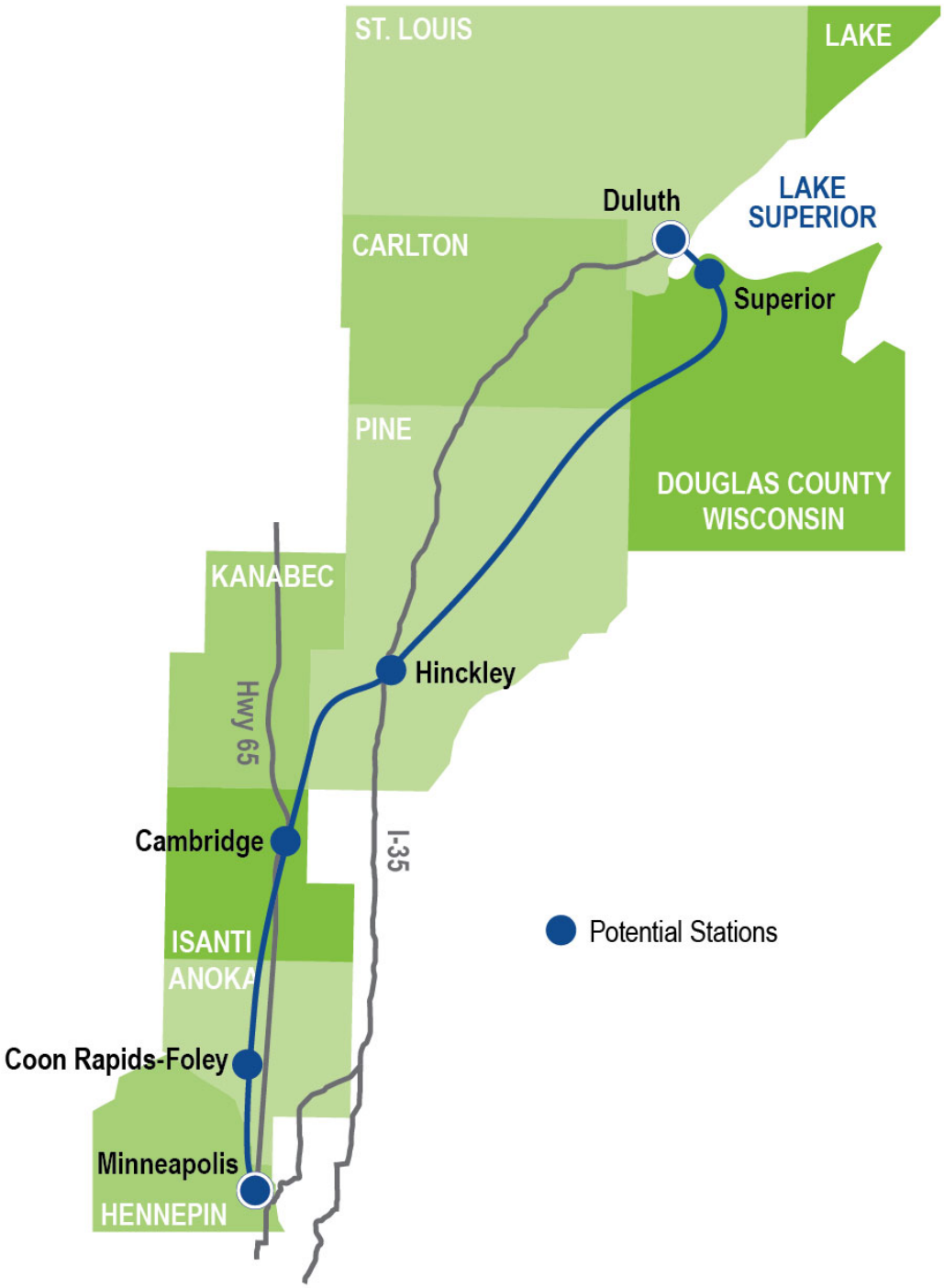
Northern Lights Express Corridor Map



Twin Cities to Milwaukee Portion - High Speed Rail Corridor to Chicago

Corridor Description

The Twin Cities to Milwaukee corridor is a segment of the approximately 435-mile high-speed passenger rail corridor between Minneapolis-St. Paul and Chicago, which in turn is part of the Chicago Hub Network, one of 10 designated regional high-speed rail systems in President Obama's vision to build a network of high-speed rail corridors across the United States. The Twin Cities to Chicago corridor is one of several major branches in the hub-and-spoke passenger rail system centered in Chicago as identified in the Midwest Regional Rail Initiative plan.

Project Status and Timeline

As part of broader MWRRI studies, the Twin Cities to Milwaukee project has recently completed an alternatives analysis to identify one route – the existing Amtrak route servicing Minneapolis, St. Paul, Hastings, Red Wing, Winona, La Crosse, Tomah, Portage, Watertown and Milwaukee – as the reasonable and feasible passenger rail alternative. A Tier 1 environmental impact study and service development planning activities started in October 2011, and both are expected to be completed by June 2015. They will develop ridership estimates as well as cost estimates for capital investments and annual maintenance. The following table summarizes actual and projected timing of key project milestones.

MILESTONE	DATE
Alternatives analysis (MWRRI Phase 7)	2009 – 2011
Reasonable and feasible passenger rail alternative concurrence (FRA)	November 2011
Minnesota scoping and RTC modeling	June 2012 through December 2013
Union Depot to Interchange AA/RTC modeling	October 2013 through June 2014
Tier 1 EIS and service dev. planning	October 2011 through June 2015
Preliminary engineering and Tier 2 EIS	June 2015 through December 2017

If sufficient funding can be secured, final design, construction and vehicle procurement will take place on completion of the Tier 2 EIS. Operations could commence late in 2019.

Progress Update

Since the last report, rail traffic controller modeling between Union Depot, St. Paul and Milwaukee was added to the original scope of work in October 2012, based on requirements by Federal Railroad Administration. The RTC modeling is scheduled to be completed in December 2013. An additional scope of work for the detailed alternatives analysis and RTC modeling between Union Depot in St. Paul and Interchange in Minneapolis is also being developed with cooperation from local agencies.

Summary Financial Plan

Below is a breakdown of funding sources being used for the Tier 1 EIS and the service development planning. Funding for all phases of preliminary engineering and the Tier 2 EIS has not yet been identified and have an estimated a full cost of $50 million. Work will occur as funding is identified and made available.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)
FRA (Tier 1 EIS Grant)	0.6	--	0.6
State of Minnesota (Tier 1 EIS grant match)	0.6	--	0.6
State of Minnesota (MN scoping)	0.09	--	0.09
State of Minnesota (RTC modeling)	0.22	--	0.22
State of Minnesota (Union Depot to Interchange alternative analysis/RTC modeling)		0.5	0.5
TOTAL	**1.51**	**0.5**	**2.01**

Other Project Information

PARTNERING AGENCIES

Minnesota Department of Transportation
Federal Railroad Administration

Project contact

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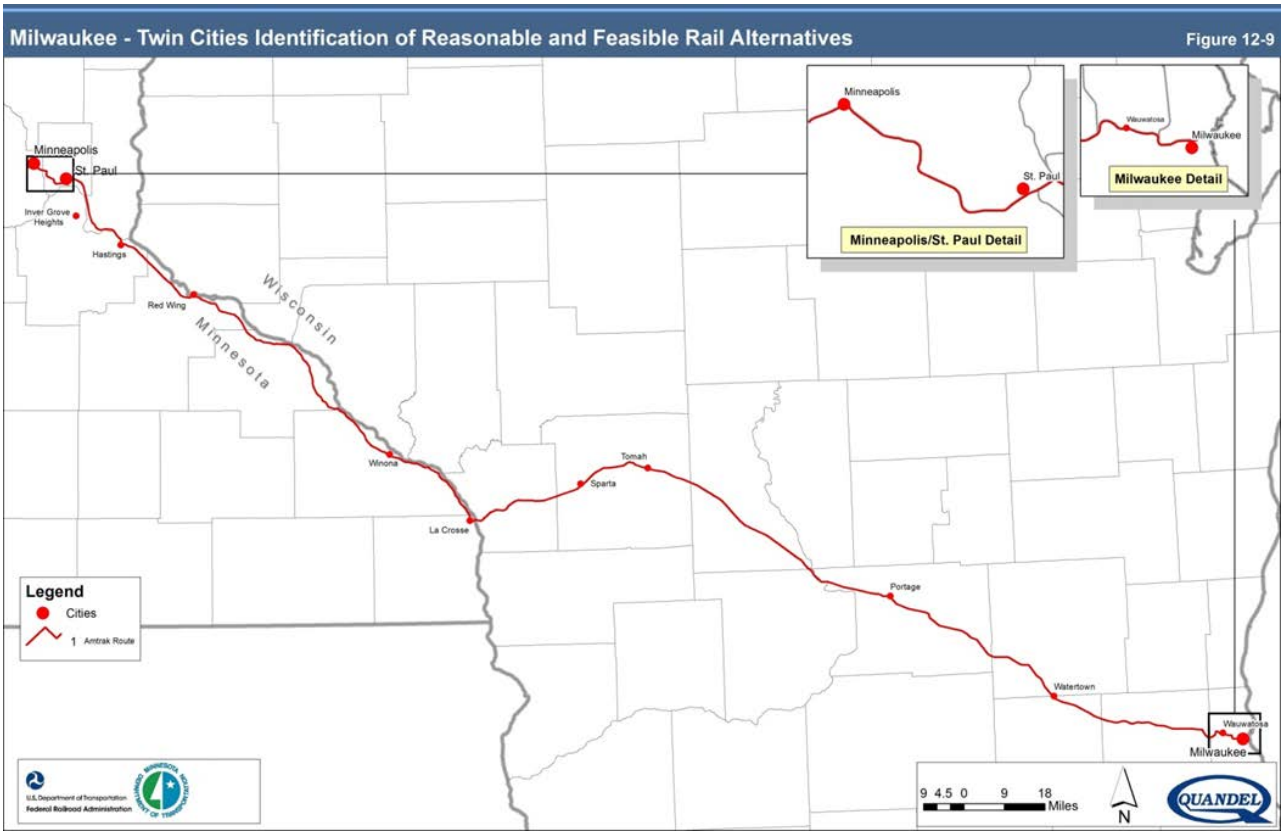
Map of Twin Cities to Milwaukee Portion, High Speed Rail to Chicago



Zip Rail - Twin Cities to Rochester High Speed Rail Corridor

Corridor Description

Zip Rail is the proposed high-speed passenger rail service between Rochester and the Twin Cities. Traveling speeds are proposed to be 150-220 mph to provide true high-speed rail service between the Twin Cities and Rochester. As there is currently no existing railroad in this corridor, the project will require construction of a new "greenfield" rail line. The 2010 Comprehensive Statewide Freight and Passenger Rail Plan identified the Rochester Corridor as a Phase 1 corridor.

Project Status and Timeline

Feasibility studies for this corridor were conducted from 1990 to 2010 as part of the Tri-State Studies done in cooperation with Illinois and Wisconsin. These studies were forwarded to the Federal Railroad Administration in 2011 for review and approval. A statement of work for the alternatives analysis and the first phase of environmental documentation was developed by Olmstead County in cooperation with MnDOT and received FRA's approval. The project will begin in fall 2012. The alternatives analysis will estimate ridership and capital costs.

MILESTONE	DATE
Feasibility studies	1990 through 2010
Alternatives analysis and Phase 1 environmental documentation	October 2012 – September 2014

Upon completion of the alternatives analysis and Phase 1 environmental documentation, the project will be eligible to solicit federal funding. Recent discussions with Rochester area stakeholders confirm the approach of collaborating with MnDOT and FRA to pursue future funding for this project.

Progress Update

Since the last report, the phase 1 environmental documentation started in fall 2012. Information on potential route alternatives between the Twin Cities and Rochester were provided to the public and various agencies in June 2013. Evaluation criteria to conduct the route alternatives analysis are being developed in cooperation with local stakeholder agencies. Ridership analysis for the corridor is also underway.

Summary Financial Plan

Below is a breakdown of funding sources used for the alternatives analysis and Phase 1 environmental documentation. The analysis is expected to cost $2.3 million and will be funded by Minnesota passenger rail bonds and Olmsted County funds.

Source	Committed ($M)	Proposed ($M)	TOTAL ($M)
State	2.0	--	2.0
Olmsted County	0.3	--	0.3
TOTAL	**2.3**	**--**	**2.3**

Other Project Information

PARTNERING AGENCIES

Minnesota Department of Transportation
Federal Railroad Administration
Olmsted County

Project contact

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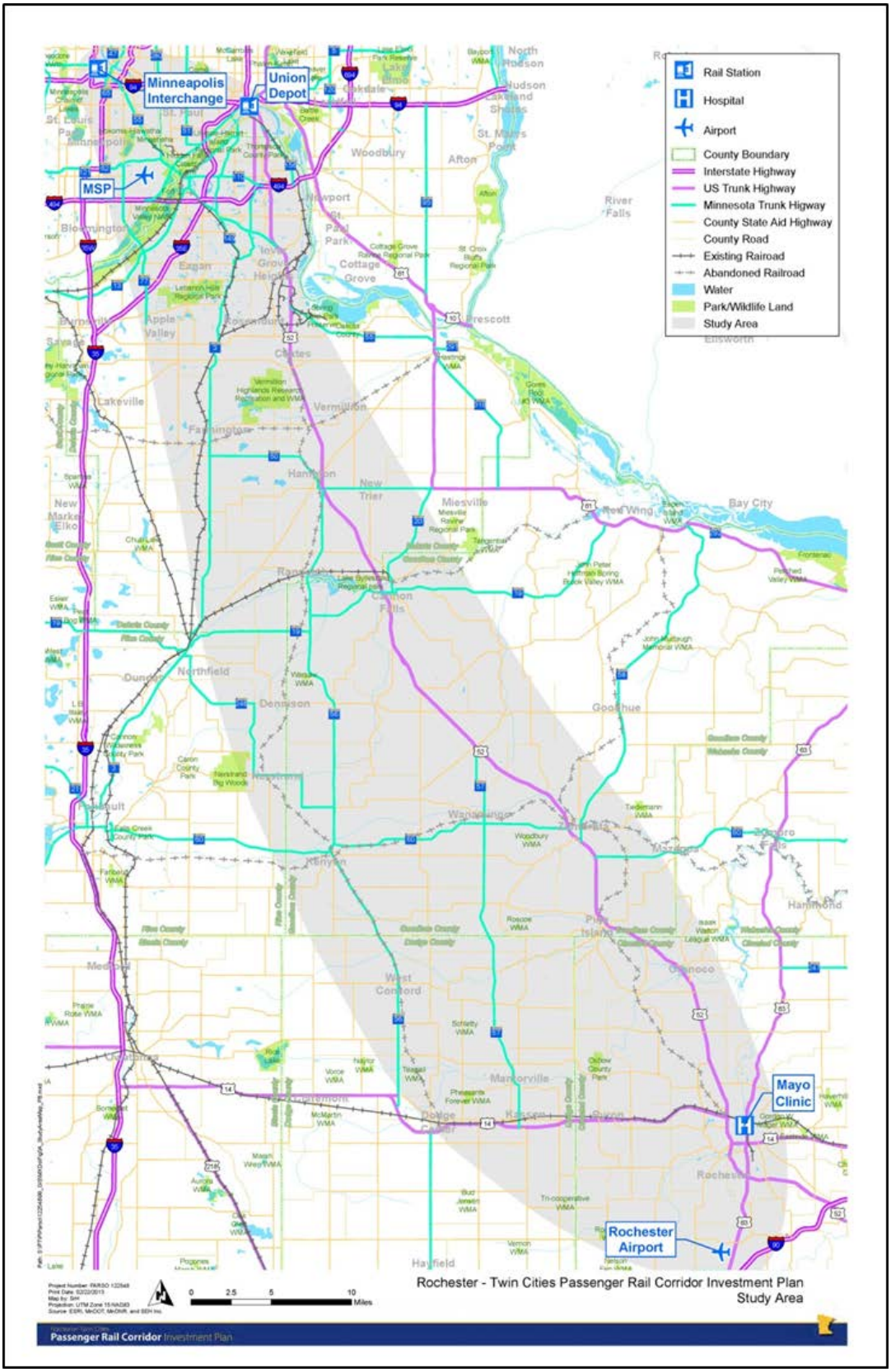
Zip Rail – Study Area Map



Capacity Analysis

The capacity analysis portion of the report seeks to aggregate and synthesize information about individual project finances, thus providing an aggregated view for the guideways that the corridor summaries do not provide alone.

General Approach

The capacity analysis looks at regional guideway funding needs and sources related to capital, operating and capital maintenance costs for the next 10 years. Consequently, the capacity analysis consists of tables of anticipated project expenditures for each of these three categories of costs. Costs in each category are shown in the anticipated year of expenditure. Since funding requests precede anticipated project expenditures, some of the funds shown in 2014 and future years, while not yet expended, have already been secured through previous funding requests and are "committed" to the project(s). In other instances, funds shown in the future years are anticipated funding requests from the identified funding sources and are not yet committed. The text for each of the cost categories seeks to indicate the level of funding that has been previously committed and those funds that have yet to be secured. The individual corridor summaries (in previous sections) also provide information about funds committed to a given project.

As previously noted, due to the high uncertainty and large range of cost estimates for projects sill in the planning phase, the capacity analysis section includes only those guideway projects that have a locally preferred alternative and are in preliminary engineering, design, construction or operation. This includes eight corridors:

- I-394 High Occupancy Toll (HOT) lane express bus service
- Blue Line (Hiawatha LRT)
- Northstar Commuter Rail
- Red Line (Cedar BRT)
- Orange Line (I-35W South BRT)
- Green Line (Central Corridor LRT)
- Green Line Extension (Southwest LRT)
- Blue Line Extension (Bottineau LRT)

For past expenditures, any figures shown represent actual expenditures; for future expenditures, although the numbers shown are the best estimates currently available, they should still be viewed as estimates that may change over time.

Capital Cost Analysis

Guideway project capital cost estimates are shown in Table 1 of the capacity analysis table at the end of this chapter. The capital cost table is organized by anticipated expenditures. Capital costs include design and construction costs to build a guideway project, as well as costs for subsequent major, one-time capital improvements that are planned to occur after the initial project construction, for example, expanding station platforms or purchasing additional vehicles as service demand increases. At this time, such subsequent capital cost expenditures are anticipated to occur only for some of the guideway projects currently operating (i.e., Northstar and Blue Line).

Total estimated capital cost for the eight guideway projects is about $4.7 billion. This total includes a substantial amount of funding that has already been spent or committed. All capital funding for five of the projects – I-394 HOT lane express bus service, Blue Line, Northstar Commuter Rail, Green Line and Red Line Stage 1 – has been identified and is either spent or committed.

Projected sources to complete the Green Line Extension include $625 million from the federal New Starts program, $81 million in state bonds, $319.2 million from CTIB, and $106.4 million from the Hennepin County Regional Railroad Authority. This anticipated funding split follows a funding formula similar to that of the Green Line, with 50 percent from the New Starts program, 30 percent from CTIB, 10 percent from the state, and 10 percent from local sources. Capital funding needs for the Blue Line Extension project have been estimated based on a similar sharing of costs.

Lacking comparable established federal funding assignments for BRT projects–Orange Line (I-394 South) and subsequent stages of the Red Line (Cedar)–for the purposes of this analysis, it has been assumed that capital costs will be shared approximately equally among federal sources, the state and CTIB (30 percent each), with a 10 percent local contribution.

Over its 2014-2019 implementation period, the Orange Line anticipates commitment of $207.6 million, primarily for the construction of on-line stations at Lake Street and American Boulevard. Expected funding sources include $75 million the federal Small Starts program, $49.5 million in state funds (a portion of which may be trunk highway bonds for roadway-related project elements), $62.3 million from CTIB and $20.8 million in local funds.

Stage II of the Red Line BRT project extends from 2014 through 2019, with capital expenditures of $71.2 million anticipated. Stage III is slated to begin in 2023

Based on the assumptions in this report, from 2014 through 2019, the expected state share of the as-yet-uncommitted capital costs of the guideway projects that are operational or in construction or design totals $307 million.

Operating Cost Analysis

Operating costs include annual vehicle operator salaries and benefits, fuel, vehicle cleaning and other administrative costs. The estimated operating costs for those guideway projects expected to be in operation by 2023 are shown in Table 2 at the end of this chapter. Operating costs are typically paid first through fares and any operating revenue generated by the guideway project, such as advertising revenue. The remaining operating costs are referred to as the net operating costs or subsidy, which is typically paid from a combination of state, CTIB, Council, and federal revenues. The fare revenue figures shown in the operating cost analysis assume the current fare structure (i.e., no increase), with any increases in fare revenue over the ten year analysis due to ridership growth. Most likely at least one fare increase would take place over this time period, but it is difficult to predict when and what amount of increase should be assumed. By including no fare increase in the analysis assumptions, the figures shown in the table show a high, or worst-case estimate for the necessary subsidy from the non-fare funding sources.

For the operating cost analysis, only those corridors that have an expectation of funding from the state and/or CTIB above the Council's base transit operations budget are included in the analysis. This means that the I-394 HOT lane express bus service costs are not included in the operating costs analysis; these costs are integrated into the Council's and suburban transit providers' base bus operating costs. At this time there is no expectation that additional operating funds will be requested for this guideway project from the state or CTIB.

For light rail transit projects, Minnesota Statutes 473.4051 states that, "after operating and federal money have been used to pay for light rail operations, 50 percent of the remaining costs must be paid by the state." In line with state law, this capacity analysis assumes that after 2014, net operating costs for Blue Line LRT, Green Line, the Green Line Extension, and the Blue Line Extension will be shared 50 percent by the state and 50 percent by CTIB. In the capacity analysis table these operating revenues are shown as "state (M.S. 472.4051 obligation)." Any other expectation of state funding for guideway operations that does not fall under this statutory requirement is shown in the table as "state (additional request)."

When the Hiawatha LRT (now Blue Line) first opened in 2004, the state provided a 50 percent share for the net operations; however, over the ensuing years the appropriation was not increased and did not keep pace with inflationary pressures. In fiscal year 2011 the Council's transit general fund appropriation continued to include a base appropriation of approximately $5.2 million for Hiawatha LRT, covering approximately 33 percent of the net costs. For fiscal years 2012 and 2013, the Council's general fund appropriation for Blue Line was reduced as described further below. For FY2014 and 2015, the state did provide the full 50 percent of net operations funding for both the Blue Line and Green Line which is set to open in the summer of 2014.

This capacity analysis includes an assumption that, as required under Minn. Stat. 473.0451, the state will continue fully funding its 50 percent share of the Blue Line and

Green Line, followed by a 50 percent contribution to the net operations of the Green Line Extension when it opens in 2018 and the Blue Line Extension when it opens in 2021. The estimated annual operating costs shown in the table for both Green Line and Green Line Extension are based on the federal New Starts applications submitted to the FTA for these corridors, updated by responsible agency staff.

The Green Line is on-schedule to open in 2014; accordingly, the analysis table shows calendar year 2015 for its first year of full operating costs. For the first three years of operations the Green Line has received a Congestion Mitigation Air Quality grant that will contribute $2.3 million each year in federal funds, thereby reducing the expected operating cost contributions from both the state and CTIB. In calendar year 2015, the state's expected contribution is $10.6 million.

The Green Line Extension (Southwest LRT) is expected to open in 2018, with 2019 its first full year of operation. The estimated state funding share for 2019 is $7.8 million. The Blue Line Extension is expected to open in 2019, with its first full year of operation in 2020; the state funding share for 2020 is estimated to be $10.1 million.

By 2020, four LRT services will be in full operation. The 50 percent state share of net operating costs required under Minnesota Statutes 473.4051 will total approximately $41.5 million.

There is no existing state statute that speaks to how the operating costs for commuter rail are to be funded. The financial analysis section of the Northstar Commuter Rail New Starts application showed that the net costs were assumed to be paid 50 percent from the state and 50 percent from local sources. However, due to state budget shortfalls, no state appropriation has yet been made for Northstar operations. To date, the 50 percent state share has been funded using motor vehicle sales tax funds contributed from Metropolitan Council and MnDOT sources. This capacity analysis assumes that these sources will continue to be used to fund a state 50 percent share of Northstar's net operating costs, estimated to be $7.8 million in 2014, growing to $9.8 million for 2023.

Red Line BRT service has secured federal CMAQ grant funding of $1.1 million per year for 2014 and 2015, decreasing to $0.1 million in the final grant year, 2016, with remaining costs distributed between CTIB and the Metropolitan Council. From 2017 forward, net operating costs are assumed to be split equally between the Metropolitan Council and CTIB; these shares are estimated to be $2.8 million for each organization in 2017, increasing to $3.3 million in 2023.

The funding shares for Orange Line station-to-station BRT service are assumed to parallel the LRT cost shares; hence for these services it is assumed that the net operating costs will be shared equally (50 percent) by CTIB and the state. State costs for Orange Line's net operating in 2019 are estimated to be $2.3 million, increasing to $3.1 million for 2023.

In 2023, the state share of the seven fully operational LRT and BRT guideway projects will total approximately $44.6 million.

Capital Maintenance Cost Analysis

Capital maintenance includes ongoing capital costs typically included in an annual capital budget, such as track maintenance, periodic vehicle overhauls, signal work and other smaller-scale capital improvements. These maintenance costs can vary significantly from year-to-year depending on the needed maintenance; accordingly, this capacity analysis uses costs averaged over time. In addition, capital maintenance costs start out low as a new corridor is opened, but grow over time as the line ages and more ongoing maintenance is required. As rail corridors come on-line, the federal transit formula funding allocated to the metropolitan region typically increases due to the added guideway mileage and service. It is expected that this will continue to occur and that additional federal funds will be available to pay 80 percent of the annual capital maintenance costs of the guideways in the future. The Metropolitan Council, using its RTC property tax-backed bonds, would be responsible for the remaining 20 percent of capital maintenance costs.

Estimated capital maintenance for the guideway projects (2014 through 2023) are shown in Table 3. For three corridors (I-394 HOT lane express and the Red and Orange Line BRT services), the annual capital maintenance costs are included within those corridors' annual operating costs, estimated in the Table 2.

Because it has been operating for the longest period, the Blue Line corridor has the best historical data from which to calculate annual capital maintenance costs. The capital maintenance costs for the Green Line, Green Line Extension, and for the Blue Line Extension are modeled after the experience with Hiawatha. Northstar costs are estimated based on the limited experience to-date for that corridor. In 2014, capital maintenance costs for Blue Line are estimated at $4.8 million, $1.1 million for Northstar, and $0.5 million for the Green Line. At the end of the analysis period, 2023 capital maintenance costs are estimated to total $20.6 million for the system of four LRT's and Northstar Commuter Rail.

Other Financial Notes

ROUNDING: As with the corridor summaries, the capacity analysis rounds estimated expenditures to the nearest $100,000. This causes some rows and columns to add imperfectly, but sums should differ by no more than $100,000 ($0.1M).

INFLATION: To facilitate meaningful comparison, the capacity analysis inflates cost estimates to the estimated year of expenditure using a capital cost inflation rate of 3.5 percent and an operating cost inflation rate of 3.15 percent. These rates were approved by

the FTA and used in the financial analysis for the Green Line New Starts full funding grant application.

CASHFLOW: As shown in the capital cost tables for the Green Line, Green Line Extension, and Blue Line Extension LRT systems (Central Corridor, Southwest and Bottineau, respectively) federal payments for New Starts projects often do not begin until after construction has commenced, and payments typically continue for a few years after the project has been completed. To meet cashflow needs, this requires heavy front-end funding by the state, CTIB and local funding sources along with borrowing by the Metropolitan Council against future federal payments once a full funding grant agreement has been issued by the FTA. The financing costs necessary for such borrowing are accounted for in project capital cost estimates, and the associated cashflow adjustments are shown in the capacity analyses for Green Line and the Green and Blue Line Extensions.

Table 1 – Estimated Guideway Capital Expenditures ($Millions)

I-394 Express Bus Service	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (Other)	0.2	0.2										
State (T.H. Bonds)	8.9	8.9										
Metropolitan Council (RTC)	3.1	3.1										
Projected Subtotal	**12.2**	12.2										
These figures include only transit capital investments made since the conversion of the HOV lane to a MnPASS prices managed land in 2005.												
They do not include construction or conversion of the lane itself.												

Blue Line (Hiawatha LRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	414.1	414.1										
Federal (Other)	84.1	84.1										
State (G.O. Bonds)	101	101										
State (T.H. Bonds)	20.1	20.1										
Metropolitan Airport	87.0	87.0										
Hennepin County	84.2	84.2										
Mall of America (in-kind)	9.9	9.9										
Metropolitan Council (RTC)	26.3	26.3										
Other	0.4	0.4										
Projected Subtotal	**827.1**	827.1										
Blue Line capital includes the original $715.3M construction cost plus major capital improvements since opening.												

Northstar Commuter Rail	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	161.9	161.9										
Federal (Other)												
State (G.O. Bonds)	102.6	102.6										
Metropolitan Council (RTC)	7.4	7.4										
Northstar Corridor Development Authority	51.0	51.0										
CTIB	12.9	12.9										
Local	9.4	9.4										
Other (Minnesota Twins)	2.6	2.6										
Projected Subtotal	**347.8**	347.8										
All costs for the base project and Fridley and Ramsey stations are included in the pre-2014 figures.												

Red Line (Cedar Avenue BRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (Other)	84.9	43.2	0.1	5.5	5.7	0.7	6.1	1.7				21.9
State (G.O. Bonds)	69.4	27.7	0.1	5.5	5.7	0.7	6.1	1.7				21.9
CTIB	71.7	30.0	0.1	5.5	5.7	0.7	6.1	1.7				21.9
Local	24.5	10.6	0.0	1.8	1.9	0.2	2.0	0.6				7.3
Other	32.3				3.1			4.3				24.9
Projected Subtotal	**280.6**	**111.5**	**0.4**	**18.2**	**22.1**		**20.4**	**10.1**				**97.9**
Red Line costs include all Stage 1 capital expenditures.												

Green Line (Central Corridor LRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	474.0	266.5		98.4	109.1							
Federal (Other)	4.5	4.5										
CTIB	284.0	284.0										
State	94.1	94.1										
Ramsey County RRA	66.4	52.9	13.5									
Henn County RRA	28.2	22.6	5.6									
City of St. Paul	5.2	5.2										
Central Corridor Funders Collaborative	0.5	0.5										
Projected Subtotal	**956.9**	730.3	19.1	98.4	109.1							
Timing of receipt of Federal appropriations (delayed due to Fed Gov procedure) requires use of Grant Anticipation Notes to fund cash flow needs during construction.												

Green Line Extension (Southwest LRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	625.2			25.0	100.0	100.0	100.0	100.0	100.0	100.0	0.2	
State	125.0	9.5	5.8	31.4	34.5	35.9	7.9					
CTIB	375.2	28.4	17.6	94.2	103.7	107.7	23.6					
Local	125.0	9.5	5.8	31.4	34.5	35.9	7.9					
Other (Council cash flow adjustments)	0.0				123.3	129.4	47.5	-100.0	-100.0	-100.0	-0.2	
Projected Subtotal	**1250.4**	47.4	29.2	182.0	396.0	408.9	186.9	0.0	0.0	0.0	0.0	0.0

NOTE: Estimates may not add perfectly due to rounding.

Table 1 – Estimated Guideway Capital Expenditures ($Millions), continued

I-35W South (Orange Line BRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (Small Starts)	75.0		12.5	12.5	12.5	12.5	12.5	12.5				
State	49.5		8.3	8.3	8.3	8.3	8.3	8.0				
CTIB	62.3		10.4	10.4	10.4	10.4	10.4	10.3				
Local	20.8		3.5	3.5	3.5	3.5	3.5	3.3				
Projected Subtotal	**207.6**		34.6	34.6	34.6	34.6	34.6	34.1				

This table assumes equal expenditures during 2014-2019; yearly estimated amounts are approximate at best.

Blue Line Extension (Bottineau LRT)	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	500.0				45.0	95.0	95.0	95.0	95.0	75.0		
State (G.O. Bonds)	100.0			10.0	20.0	20.0	25.0	25.0				
CTIB	300.0		14.0	40.0	45.0	75.0	75.0	51.0				
Local (HCRRA)	100.0		9.0	10.0	10.0	25.0	35.0	11.0				
Projected Subtotal	**1000.0**		23.0	60.0	120.0	215.0	230.0	182.0	95.0	75.0		

This table distributes expenditures across project implementation; yearly estimated amounts are approximate at best.

NOTE: Estimates may not add perfectly due to rounding.

Total Capital	Total by Source	Pre-2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal (5309 New Starts)	2,250.2	842.5	12.5	135.9	266.6	207.5	207.5	207.5	195.0	175.0	0.2	
Federal (Other)	173.72	132.0	0.1	5.5	5.7	0.7	6.1	1.7				21.9
State	670.6	363.9	14.2	55.1	68.5	64.8	47.3	34.7				21.9
Metropolitan Council	36.8	36.8										
CTIB	1,106.1	355.3	42.1	150.0	164.8	193.1	115.1	63.0				21.9
Local	514.7	245.4	37.4	46.7	49.9	64.6	48.4	14.9				7.3
Other sources	132.66	100.4			126.4	129.4	47.5	-95.7	-100.0	-100.0	-0.2	24.9
Total Capital	**4,884.8**	2,076.3	106.3	393.2	681.8	660.1	471.9	226.2	95.0	75.0	0.0	97.9

NOTE: Estimates may not add perfectly due to rounding.

Table 2 – Estimated Guideway Operating Expenditures ($Millions)

I-394 Express Bus Service	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Operating expenses are funded as part of Metro Transit's overall bus system.										
No service expansions are programmed for this corridor.										
Blue Line (Hiawatha LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	10.2	11.3	11.4	11.5	11.6	12.9	13.1	13.2	13.3	14.8
State	9.2	9.0	9.4	9.9	10.3	10.2	10.7	11.2	11.7	11.5
CTIB	9.2	9.0	9.4	9.9	10.3	10.2	10.7	11.2	11.7	11.5
Other	1.0	1.2	1.3	1.2	1.3	1.2	1.2	1.2	1.2	1.3
Total	**29.6**	**30.5**	**31.5**	**32.5**	**33.5**	**34.5**	**35.7**	**36.8**	**37.9**	**39.1**
Northstar Commuter Rail	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	2.5	2.8	2.9	3.0	3.1	3.5	3.6	3.7	3.8	4.3
Metropolitan Council - MVST	6.6	6.6	6.9	7.1	7.3	7.4	7.6	7.9	8.1	8.2
CTIB	6.6	6.6	6.9	7.1	7.3	7.4	7.6	7.9	8.1	8.2
State (Greater MN MnDOT)	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6	1.6
Local (Sherburne County)	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6	1.6
Other	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	**18.2**	**18.7**	**19.4**	**20.1**	**20.6**	**21.2**	**21.9**	**22.6**	**23.3**	**24.0**
Red Line (Cedar Avenue BRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	0.3	0.3	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.6
Federal CMAQ	1.1	1.1	0.1							
Metropolitan Council	0.4	0.4	1.4	2.8	2.9	2.9	3.0	3.1	3.2	3.3
CTIB	1.5	1.5	1.5	2.8	2.9	2.9	3.0	3.1	3.2	3.3
Total	**3.2**	**3.3**	**3.4**	**6.0**	**6.2**	**6.4**	**6.6**	**6.8**	**7.0**	**7.2**
Green Line (Central Corridor LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	4.1	10.1	10.6	11.8	12.7	14.1	14.2	14.4	14.5	16.1
State	6.2	10.6	10.9	11.5	12.2	12.1	12.6	13.1	13.7	13.6
CTIB	6.2	10.6	10.9	11.5	12.2	12.1	12.6	13.1	13.7	13.6
Federal CMAQ	1.2	2.3	2.3	1.2						
Other	0.2	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8
Total	**17.9**	**34.3**	**35.4**	**36.7**	**37.8**	**39.0**	**40.1**	**41.4**	**42.7**	**44.1**
Green Line Extension (Southwest LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox					1.2	11.4	11.7	12.0	12.4	13.9
State					0.9	7.8	8.1	8.4	8.6	8.4
CTIB					0.9	7.8	8.1	8.4	8.6	8.4
Other-Advertising						0.7	0.7	0.7	0.8	0.7
Total					**3.0**	**27.7**	**28.6**	**29.5**	**30.4**	**31.4**
Orange Line (I-35W South BRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox						2.1	2.3	2.5	2.7	3.1
Metropolitan Council						2.3	2.3	2.3	2.3	3.1
CTIB						2.3	2.3	2.3	2.3	3.1
Total						**6.7**	**6.9**	**7.1**	**7.3**	**9.3**
Blue Line Extension (Bottineau LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox						6.50	13.5	13.9	14.3	14.8
State						4.90	10.1	10.4	10.8	11.1
CTIB						4.90	10.1	10.4	10.8	11.1
Total						**16.30**	**33.7**	**34.7**	**35.9**	**37.0**
Total Operating	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	17.1	24.5	25.2	26.8	29.1	51.0	58.9	60.2	61.5	67.6
Federal	2.3	3.4	2.4	1.2						
Metropolitan Council	7.0	7.0	8.3	9.9	10.2	12.6	12.9	13.3	13.6	14.6
CTIB	23.5	27.7	28.7	31.3	33.6	47.6	54.4	56.4	58.4	59.2
State	16.6	20.9	21.6	22.8	24.8	36.4	43.0	44.6	46.4	46.2
Local	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6	1.6
Other	1.3	2.0	2.10	2.0	2.1	2.7	2.7	2.8	2.9	2.9
Total Operating	**68.9**	**86.8**	**89.7**	**95.3**	**101.1**	**151.8**	**173.5**	**178.9**	**184.5**	**192.1**

NOTE: Estimates may not add perfectly due to rounding.

Table 3 – Estimated Guideway Capital Maintenance Expenditures ($Millions)										
I-394 Express	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Maintenance of park and ride facilities is funded as part of Metro Transit's overall bus system.										
Blueline (Hiawatha LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Federal	3.8	6.2	4.4	6.5	2.8	2.8	1.8	2.0	2.1	7.3
Metropolitan Council (RTC)	1.0	1.5	1.1	1.6	1.7	0.7	0.5	0.5	0.5	1.8
Total	**4.8**	**7.7**	**5.5**	**8.1**	**4.5**	**3.5**	**2.3**	**2.5**	**2.6**	**9.1**
Northstar Commuter Rail	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Federal	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.2
Metropolitan Council (RTC)	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Total	**1.1**	**1.1**	**1.2**	**1.2**	**1.2**	**1.3**	**1.3**	**1.4**	**1.4**	**1.5**
Red Line (Cedar Avenue BRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Maintenance costs are included in the operating amount for this project.										
Green Line (Central Corridor LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Federal (Other) (2)	0.4	1.4	1.7	1.4	1.8	1.7	6.2	4.6	3.8	3.6
Metropolitan Council (RTC) (2)	0.1	0.3	0.4	0.4	0.5	0.4	1.6	1.2	0.9	0.9
Total	**0.5**	**1.7**	**2.1**	**1.8**	**2.3**	**2.1**	**7.8**	**5.8**	**4.7**	**4.5**
Green Line Extension (Southwest LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Federal (Other)						1.8	1.8	1.9	2.0	2.0
Metropolitan Council (RTC)						0.4	0.5	0.5	0.5	0.5
Total						**2.2**	**2.3**	**2.4**	**2.4**	**2.5**
Orange Line (I-35W South BRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Maintenance costs are included in the operating amount for this project.										
Blue Line Extension (Bottineau LRT)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Federal								2.1	2.2	2.3
Metropolitan Council (RTC)								0.6	0.6	0.7
Total								**2.7**	**2.8**	**3.0**
Total Ongoing Capital Maintenance										
Federal	5.1	8.4	7.0	8.9	5.7	7.3	11.0	11.7	11.1	16.4
Metropolitan Council	1.3	2.1	1.8	2.2	2.4	1.8	2.7	3.0	2.8	4.2
Total	**6.4**	**10.5**	**8.8**	**11.1**	**8.0**	**9.1**	**13.7**	**12.1**	**14.0**	**20.6**

NOTE: Estimates may not add perfectly due to rounding.

Table 4 – Overall Totals ($Millions) – Projected Annual Expenditures by Source 2014-2023										
Funding Source	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Farebox	17.1	24.5	25.2	26.8	29.1	51.0	58.9	60.2	61.5	67.6
Federal	20.0	153.2	281.7	218.3	219.3	216.5	206.0	186.7	11.3	38.3
State	30.8	76.0	90.1	87.6	72.1	71.1	43.0	44.6	46.4	68.1
Metropolitan Council	8.3	9.1	10.1	12.1	12.6	14.4	15.6	16.3	16.4	18.8
CTIB	65.6	177.7	193.5	224.4	148.7	110.6	54.4	56.4	58.4	81.1
Local	38.6	48.0	51.2	66.0	49.8	16.3	1.5	1.5	1.6	8.9
Other*	1.4	2.0	128.5	131.4	49.6	-93.0	-97.3	-97.2	2.7	27.8
TOTAL	**181.80**	**490.50**	**780.30**	**766.60**	**581.20**	**386.90**	**282.10**	**268.50**	**198.30**	**310.60**
*includes cash flow adjustments										
NOTE: Estimates may not add perfectly due to rounding.										

Appendix A: Statutory Language

Minn. Stat. 174.93 - GUIDEWAY INVESTMENT

Subdivision 1. Definitions.

(a) For purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of transportation;

(2) "guideway" means a form of transportation service provided to the public on a regular and ongoing basis, that operates on exclusive or controlled rights-of-way or rails in whole or in part, and includes each line for intercity passenger rail, commuter rail, light rail transit, streetcars, and bus rapid transit; and

(3) "local unit of government" means a county, statutory or home rule charter city, town or other political subdivision including, but not limited to, a regional railroad authority or joint powers board.

(b) For purposes of this section, "sources of funds" includes, but is not limited to, money from federal aid, state appropriations, the Metropolitan Council, special taxing districts, local units of government, fare box recovery, and nonpublic sources.

(c) For purposes of this section, "budget activity" includes, but is not limited to, environmental analysis, land acquisition, easements, design, preliminary and final engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation and construction.

Subdivision 1a. Capital project requests to legislature.

A state agency or local unit of government that submits a request to the legislature to obtain state funds for a guideway project shall, as part of the request, provide a summary financial plan for the project that presents the following information as reflected by the data and level of detail available in the latest phase of project development:

(1) capital expenditures and funding sources for the project, including expenditures to date and total projected or estimated expenditures, with a breakdown by committed and proposed sources of funds; and

(2) estimated annual operations and maintenance expenditures for the project, with a breakdown by committed and proposed sources of funds.

Subd. 2. Legislative report.

(a) By January 15, 2012, and by November 15 in every odd-numbered year thereafter, the commissioner shall prepare, in collaboration with the Metropolitan Council, and submit a report electronically to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the status of guideway projects

(1) currently in study, planning, development, or construction;

(2) identified in the transportation policy plan under section 473.146; or

(3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

(1) a brief description of the project, including projected ridership;

(2) a summary of the overall status and current phase of the project;

(3) a timeline that includes

(i) project phases or milestones;

(ii) expected and known dates of commencement of each phase or milestone; and

(iii) expected and known dates of completion of each phase or milestone;

(4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and

(5) a summary financial plan that identifies, as reflected by the data and level of detail available in the latest phase of project development and to the extent available:

(i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project;

(ii) estimated annual operations and maintenance expenditures reflecting the level of detail available in the current phase of the project development, with a breakdown by committed and proposed sources of funds for the project; and

(iii) if feasible, project expenditures by budget activity.

(c) The report must also include a systemwide capacity analysis for investment in guideway expansion and maintenance that:

(1) provides a funding projection, annually over the ensuing 10 years, and with a breakdown by committed and proposed sources of funds, of:

(i) total capital expenditures for guideways;

(ii) total operations and maintenance expenditures for guideways;

(iii) total funding available for guideways, including from projected or estimated farebox recovery; and

(iv) total funding available for transit service in the metropolitan area; and

(2) evaluates the availability of funds and distribution of sources of funds for guideway investments.

(d) The projection under paragraph (c), clause (1), must be for all guideway lines for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing 10 years.

(e) Local units of government shall provide assistance and information in a timely manner as requested by the commissioner or council for completion of the report.

Appendix B: Transit Funding Sources

Excerpt from Regional Transitway Guidelines Technical Report, May 2011, updated for this report October 2013.

Transit Funding Sources and Programs

The following section highlights transit and transitway funding programs available under existing federal and state laws. The table at the end of this section provides a summary of the information, including a listing of the potential funding sources, approximate amount available annually, a summary of how the funds are made available and requirements governing how funds may be used.

Federal Transit Funding

New Starts (5309) – New Starts funding may be used for new or extended fixed-guideway transit system projects. A project is only eligible for New Starts funding once it has entered the project development phase. The funding may only be used on projects approved through the New Starts application and approval process. A minimum local match of 20 percent is required for all New Starts funding. Current federal policy has limited annual funding from the New Starts program to $95 million.

Small Starts (5309) – Small Starts funding may be used on new or extended transit system projects that are fixed guideway for at least 50 percent or bus projects with ten/fifteen minute headways. A project is only eligible for Small Starts funding once it has entered the preliminary engineering phase of development. The funding may only be used on projects approved through the Small Starts application and approval process. A minimum local match of 20 percent is required.

Urbanized Area Formula (5307) – Urban Area Formula funding may be used for transit system replacement and expansion, capital purposes, preventative maintenance, and the capital costs of contracting. Non-transit capital projects are not eligible for this funding. The Metropolitan Council is allocated 5307 funds through a federal formula and allocates funds to specific projects in the region through the annual development of the Council's six-year Capital Improvement Plan. The Twin Cities region typically receives an estimated $50 million annually in 5307 funding (2010 data). A minimum local match of 20 percent is required.

Fixed Guideway Modernization (5309) – Fixed Guideway Modernization funding may be used for capital and preventative maintenance on fixed guideway projects, including BRT on exclusive or high-occupancy vehicle lanes and bus-only shoulders. Non-fixed-

guideway projects are not eligible for this funding. The Metropolitan Council is allocated 5309 funds through a federal formula and allocates these funds to specific fixed-guideway projects through annual development of the six-year CIP. The Twin Cities region typically receives an estimated $13.6 million annually in Fixed Guideway Modernization funding (2010 data). A minimum local match of 20 percent is required.

Alternative Analysis (5339) – Alternative analysis funding may be used on a transit project during the alternative analysis phase of development, until the selection of the locally preferred alternative. The spending of 5339 funding must be completed by the project's entry into the preliminary engineering phase of development. Alternative analysis funding is provided through congressional earmarks and varies in amount from year-to-year. A minimum local match of 20 percent is required.

Congestion Mitigation and Air Quality – Congestion Mitigation and Air Quality funding may be used on transit capital and operating expansion. Existing transit operations and capital are not eligible for CMAQ funding. CMAQ funding is distributed in the region through a regional solicitation process led by the Transportation Advisory Board and its Technical Advisory Committee. The Twin Cities region typically receives an estimated $27 million annually in CMAQ funding (2013 data). The regional solicitation process limits projects to a maximum of $7 million and allocates these funds four years in advance of expected expenditure (i.e., 2011 solicitation is for funds in 2015 and 2016), though recipients can choose to advance construct projects and be reimbursed in the award year. A minimum local match of 20 percent is required.

Surface Transportation Urban Program – Surface Transportation Urban Program funding is primarily used for road construction purposes, up to $7 million per project. In order to be eligible for funding a project must meet the regional solicitation category requirements. STP-Urban funding is distributed in the region through a regional solicitation process led by the TAB and its TAC. The Twin Cities region typically receives an estimated $40 million annually in STP-Urban funding (per 2013 data). A minimum local match of 20 percent is required. Currently, solicitation categories do not include a category specifically for transit projects, but elements of a road project that benefit transit are eligible and typically given extra points on the project ranking.

Transportation Alternative Program – Transportation Alternative Program (formerly known as Transportation Enhancements) funding is used primarily for bicycle, pedestrian and trail projects. In order to be eligible for funding, a project must meet the regional solicitation category requirements. TAP funding is distributed in the region through a regional solicitation process led by the TAB and its TAC. The Twin Cities region typically receives an estimated $7 million annually in TAP funding (2013 data). A minimum local match of 20 percent is required.

Federal Railroad Administration – Federal Railroad Administration funding may be used on intercity passenger rail facilities. FRA funding is provided through congressional appropriations and varies in amount from year to year.

Unified Planning Work Program (5303) – Unified Planning Work Program funding may be used for transportation planning activities, but may not be used on design, engineering, construction or capital related expenditures. As the regional Metropolitan Planning Organization UPWP funding is allocated to the Metropolitan Council Metropolitan Transportation Services. MTS produces an annual work program specifying how the planning funds will be used, with the majority of the funding used to support MTS planning staff work. The Twin Cities region typically receives an estimated $3.5 million annually in UPWP funding (2013 data). A minimum local match of 20 percent is required.

Special Grant Programs – There are many special grant programs that may provide funding for transitway projects, past programs include the Urban Partnership Agreement, the American Recovery and Reinvestment Act, Transportation Investment Generating Economic Recovery and Transit Investments for Greenhouse Gas and Energy Reduction. The specifics for these competitive programs - eligible/ineligible uses, estimated annual amount, local match – vary by grant type. Funding is allocated through FTA and FHWA grant processes, with some grants requiring submittal through the Metropolitan Council or MnDOT.

State Transit Funding

State General Fund – Funding from the state general fund is made available for transitway projects through appropriations by the state legislature and varies in amount from year to year. General funds are rarely used for capital investments and may include additional restrictions as specified in the appropriation language. General funds may be used for transitway operations. Currently the Blue Line and Green Line receive an annual general fund appropriation to cover 50 percent of the net cost of operations.

General Obligation Bonds – General obligation bonds can provide funding for transitway capital and are allocated through state legislative appropriations in varying amounts. The specific use of the funds is dictated by the appropriation language. Any capital expenditure funded by GO bonds must be for a specific capital project that will have a 20-year life and the asset must be owned by the public entity specified in the appropriation. GO bonds may not be used for planning studies, alternatives analysis, technology, vehicles or operations expenditures. Minnesota Management and Budget has directed that state GO bonds appropriated to the Council are not to be passed through to sub-recipients unless the bond appropriation language permits a pass-through.

MnDOT Trunk Highway Funds and Bonds – MnDOT trunk highway funds and bonds may be used on transitway projects that further a trunk highway purpose. Trunk highway funding can only be used for trunk highway purposes and cannot be used for transit operations. Capital assets that utilize trunk highway bonds must have a 20-year life, be owned by MnDOT and are considered part of the trunk highway system. Trunk highway funding and bonds are allocated through the state legislative process or a MnDOT grant program in varying amounts.

State Laws Related to Transit Funding – Minn. Stat. 473.4051 subd. 3, prohibits state money from being used to pay more than 10 percent of the total capital cost of an LRT project. In addition, Minn. Stat. 473.4051, subd. 2, states that "after operating and federal money have been used to pay for light rail transit operations, 50 percent of the remaining costs must be paid by the state."

Metropolitan Council Funding

Motor Vehicle Sales Tax – Minn. Stat. 297B.09 allocates 36 percent of state MVST funding to the metropolitan area transit fund for transit assistance in the metropolitan area. The Metropolitan Council is responsible for allocating the funds, which are primarily used to pay for existing transit operations, both rail and bus. The funds may be used on transitway projects for existing operations or capital and operating expansion. MVST funding is allocated annually by the Council through the adopted Regional Transit Operating Revenue Allocation Procedure and Regional Transit Capital Revenue Allocation Procedure.

Regional Transit Capital Bonds – Regional transit capital funds are bond funds where the debt service is paid using the Council's transit capital levy. The legislature is responsible for authorizing the amount of RTC bonds that may be sold and the Council is responsible for setting the annual levy to pay the debt. RTC funds are used for transit capital expenditures including assets with shorter than a 20-year life, including transit vehicles and technology. RTC funds may not be used for transit operations or planning activities. RTC funds are allocated by the Council through annual development of the six-year CIP. There is typically $35 million in RTC funding available annually in the Twin Cities region.

Fares and Other Self-Generated Funds – Fares and other self-generated funds are typically used for transit operations. Fares from a transitway project are allocated specifically to the operations of that transitway. This allows for calculation of a net subsidy which represents the public cost after accounting for the fare revenue. The transit operator is responsible for allocating fare revenues through the budgeting process. Other self-generated revenue may include advertising revenue or interest income. These revenues are typically used for operating purposes but could be allocated to a capital expenditure.

Counties Transit Improvement Board Funding

Metro Counties Sales Tax – In April 2008, under authorizing legislation contained in Minn. Stat. 297A.99, five counties – Anoka, Dakota, Hennepin, Ramsey and Washington – formed a joint powers board known as the Counties Transit Improvement Board and implemented a quarter-cent sales tax and a $20 motor vehicle sales tax to fund transitway projects within these counties. The sales tax currently raises approximately $102 million annually (CY 2012) and may be used for transitway capital and operating costs. CTIB has adopted a Transitway Investment Framework, which establishes principles and rules for how the CTIB will invest in transitway development. Additionally, metro counties sales tax revenues cannot be used to fund more than 30 percent of the total transitway costs, though an individual component of the overall project may receive more than 30 percent

if approved by CTIB. The funding is allocated through the CTIB grant application process. A minimum ten percent local (non-state) match is required for CTIB funding.

Local Funding

Regional Railroad Authority – Minn. Stat. 398A.04 provides RRAs with the power to impose a property tax levy not to exceed 0.04835 percent of the market value of all taxable property within the RRA boundary. Minn. Stat. 398A.07 states that a regional railroad authority may issue bonds as necessary to fulfill its purpose and to exercise any of its powers to provide funds for operating expenses in anticipation of revenues or for capital expenditures in anticipation of other funds. RRA funds may be available for transitway projects. Typically these funds are used for the alternative analysis phase of development, environmental processes, right of way acquisition, or for the local match in rail projects, with the exception of the Cedar Avenue BRT project in Dakota County. RRA funds must be no more than ten percent of the total capital project cost and cannot be used for rail operations in the counties that have enacted the metro counties sales tax (see Minn. Stat. 398A.10). The amount of funding available is tied to the levy limit and is allocated through the RRA budgeting process.

County General Fund – County general funds may be used on transitway projects as allocated. General funds are allocated through the county budget process and vary in amount from year to year.

County Highway Funds –County highway funds may be used for highway-related transit improvements, but may not be used for non-highway transitway purposes. Highway funds are allocated through the county budget process and vary from year to year.

City General Fund – City general funds may be used on transitway projects as allocated. General funds are allocated through the city budget process and vary in amount from year to year.

Municipal Highway Funds – Municipal highway funds may be used for highway related transit improvements, but may not be used for non-highway transitway purposes. Highway funds are allocated through the city budget process and vary in amount from year to year.

Name (by source)	Estimated Annual Amount for Region ($M)	Minimum Match (%)	Eligible Uses	Ineligible Uses	Policy/Process for Allocating Funds
Federal					
New Starts (5309)	$95.0 M	20	Approved new or extended fixed-guideway systems	Funding begins in PE, available only for approved projects	New Starts application / approval process
Small Starts (5309)	TBD	20	New of extended systems that are fixed-guideway or bus corridor projects with specific components	Funding begins in PE, available only for approved projects	Small Starts application process
Urbanized Area Formula (5307)	$50.0 M	20	Transit system replacement and expansion capital purposes, preventative maintenance, capital cost of contracting	Non-transit capital	Federal formula allocation to Council, allocated through Council CIP development
Fixed Guideway Modernization (5309)	$13.6 M	20	Fixed-guideway projects (including BRT on exclusive or HOV lanes) capital and preventative maintenance	Non-fixed guideway projects	Federal formula allocation to Council, allocated through Council CIP development
Alternatives Analysis (AA) Funding (5339)	Earmarks	20	AA activities (pre-LPA)	Spending complete by entry into PE	Annual Congressional requests / appropriations
Unified Planning Work Program (5303)	$3.5 M	20	Planning activities	Construction / capital purposes	MTS annual work program planning
CMAQ	$7.0 M	20	Transit capital and operating expansion (up to $7 M per project)	Existing transit operations / capital	TAC/TAB Regional Solicitation Process
STP (Urban Guarantee)	$40.0 M	20	Primarily road construction purposes (up to $7M per project)	Must meet solicitation category requirements	TAC/TAB Regional Solicitation Process
Transportation Alternatives Program	$7.0 M	20	Primarily bicycle, pedestrian, and trail projects	Must meet solicitation category requirements	TAC/TAB Regional Solicitation Process
Federal Railroad Administration	Varies		Intercity passenger rail facilities		Congressional appropriations, special grant programs
Special grant programs (e.g., UPA, ARRA, TIGER, TIGGER)	Varies	Varies	Varies	Varies	Federal grant application process, some grant programs require submittal through Council or MnDOT
State					
General Funds	Varies	N/A	Specified in appropriation language	Rarely used for capital	State legislative process
General Obligation Bonds	Varies	N/A	Must meet public purpose requirement, use as specified in appropriation language. Capital must have a 20-year life, asset owned by organization specified in appropriation	Planning studies, AA, technology, vehicles, non-capital uses	State legislative process

Name (by source)	Estimated Annual Amount for Region ($M)	Minimum Match (%)	Eligible Uses	Ineligible Uses	Policy/Process for Allocating Funds
MnDOT Trunk Highway Funds or Bonds	Varies	N/A	Must have a trunk highway purpose	Transit operations	State legislative process or MnDOT grant program
Metropolitan Council					
MVST (Regionally Allocated MVST)	Varies	N/A	Existing transit operations and expansion, capital is allowed	Non-transit purposes	Regional Revenue Allocation Policy / Procedures
Regional Transit Capital (RTC)	$35.0 M	N/A	Transit capital including vehicles	Transit operations	Council CIP development
Fares / other self-generated	Varies	N/A	Primarily service operations		Transit operator budget process
Counties Transit Improvement Board (CTIB)					
Metro counties sales tax	Raises about $88.0 M per year	10 non-state	Transitways capital and operating	General transit operations, arterial BRT	CTIB grant application process
Local					
Regional Railroad Authority (RRA)	Levy limit	N/A	Typically used for planning, AA, environmental, ROW, local match for rail projects with exception of Dakota County	Not more than 10% of capital costs. For metro counties with CTIB sales tax, cannot be used for rail operations	RRA budget process
County general fund	Varies	N/A			County budget process
County highway funds	Varies	N/A	Highway-related transit improvements	Non-highway purpose	County budget process
City general fund	Varies	N/A			City budget process
Municipal highway funds	Varies	N/A	Highway-related transit improvements	Non-highway purpose	City budget process

Appendix C: Acronyms used in Report

Acronym	Meaning
AA	Alternatives analysis
AAU	Alternatives analysis update
BNSF	Burlington Northern Santa Fe Railroad Company
BRT	Bus rapid transit
CMAQ	Congestion Mitigation Air Quality
CTIB	Counties Transit Improvement Board
DEIS	Draft Environmental Impact Statement
EIS	Environmental Impact Statement
FFGA	Full Funding Grant Agreement
FHWA	Federal Highway Administration
FONSI	Finding of No Significant Impact
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
HOT	High occupancy toll
HOV	High occupancy vehicle
LOS	Level of service
LPA	Locally preferred alternative
LRT	Light-rail transit
MIS	Major Investment Study
MnDOT	Minnesota Department of Transportation
MVST	Motor vehicle sales tax
MWRRI	Midwest Regional Rail Initiative
NCDA	Northstar Corridor Development Authority
PD	Project Development
PE	Preliminary Engineering
ROW	Right of way
RRA	Regional railroad authority
RTC	Regional transit capital
RTC	Rail Traffic Controller
SDP	Service Development Plan
TFAC	Transportation Finance Advisory Committee
TH	Trunk Highway
TIGER	Transportation Investment Generating Economic Recovery
TPP	Transportation Policy Plan
UPA	Urban Partnership Agreement