

# San Francisco Peninsula Rail Program: Downtown Rail Extension (DTX)

Item 12 – DTX Project Funding Plan Update

TJPA Board  
March 10, 2022



# Background

- Federal Transit Administration (FTA) funds major transit capital expansion through the Capital Investment Grants (CIG) New Starts program
- FTA granted DTX entry to New Starts Project Development in Dec. 2021
- DTX Master Schedule sets the following timeline for New Starts process:
  - Feb. 2023 – Request Entry to FTA Engineering Phase (CIG funding amount established)
  - Aug. 2023 – Submit DTX for formal evaluation/rating by FTA and request CIG funds
  - Spring 2025 – Execute Full Funding Grant Agreement (FFGA)
- FTA requires successive funding milestones for commitment of non-CIG funds

# Capital Funding Required by FTA Milestone

Assuming capital cost of ~\$5B and CIG amount of ~\$2B, DTX funding strategy targets the following milestones for commitment of non-CIG funds:

Milestone	Amount (\$ million)	Cumulative Amount (\$ million)	Timing	Basis
1 (30% non-CIG)	\$ 900	\$ 900	By Feb 2023	Entry to FTA Engineering requires 30% non-CIG funds committed
2 (50% non-CIG)	\$ 600	\$ 1,500	By Aug 2023	Submit for FTA rating & seek inclusion in President's budget
3 (100% non-CIG)	\$ 1,500	\$ 3,000	Prior to April 2025	Required for FFGA approval
Total Non-FTA CIG Funds		\$ 3,000		
Total FTA CIG Funds*		\$ 2,000		
TOTAL		\$ 5,000		

\* Actual CIG/non-CIG share to be determined. \$2B CIG grant assumed for funding strategy development.

# DTX 2023 Required Funding Commitment (\$1.5B)

Assuming capital cost of ~\$5B and CIG amount of ~\$2B, DTX funding strategy targets the following milestones for commitment of non-CIG funds:

## February 2023: Milestone 1

*Request entry into Engineering Phase under FTA New Starts*

- \$900M in committed non-New Starts funds

## August 2023: Milestone 2

*Submit Request for \$2B+ CIG New Starts Grant*

- +\$600M in committed non-New Starts funds
- **Total \$1.5B commitment** of non-New Starts funds

Source	Planned Amount (\$ millions)
RM3	325
Reauthorized Sales Tax	300
Transbay CFD Special Tax (through FY27)	200
Land Sales	0-45
Impact Fees	~16
TIRCP Multi-Cycle Commitment (and/or State Surplus Funds)	600
Prop K (includes SFCTA contribution to FTA Engineering)	15
MTC Contribution to FTA Engineering	3
CHSRA Contribution to FTA Engineering	3
Caltrain Contribution to FTA Engineering	3
Federal CRISI	5
<b>Total</b>	<b>~\$1,500</b>

# Capital Funding – Target Ranges

Source	Potential Amount/Range (\$ millions)	Status
<b>FEDERAL</b>		
FTA New Starts CIG	2,000-2,500	Planned
Other Federal (e.g., FRA)	500	Potential
CRISI	5	Planned
<b>FEDERAL – TARGET RANGE</b>	<b>2,500 - 3,000</b>	
<b>STATE &amp; HSR</b>		
TIRCP (Multi-Cycle)	600	Planned
CHSRA Capital Contribution*	550+	Planned
Other/New State Funds (e.g., surplus)	400-550	Potential
<b>STATE &amp; HSR – TARGET RANGE</b>	<b>1,250 - 1,500</b>	
<b>REGIONAL &amp; CALTRAIN</b>		
RM3	325	Committed
MTC Contribution to FTA Engineering	3	Committed
Future Regional Measure	250-350	Potential
Caltrain Capital Contribution*	50-100	Potential
Other Regional Sources (e.g., grants)	25-50	Potential
Other County-Level Contribution(s)	TBD	Potential
<b>REGIONAL &amp; CALTRAIN - TARGET RANGE</b>	<b>600 - 750</b>	

Source	Potential Amount/Range (\$ millions)	Status
<b>LOCAL &amp; OTHER</b>		
CFD Special Tax (Full Program)	200-500	Committed
Tax Increment	80-120	Committed
Land Sales	0-45	Committed
Impact Fees	~16	Committed
Prop K*	15	Committed
RTIP	0-18	Committed
Reauthorized Sales Tax	300	Planned
Future Local Measure	50-75	Potential
PFCs or Capital Lease	TBD	Potential
Private Investment	TBD	Potential
Other Local Sources	TBD	Potential
<b>LOCAL &amp; OTHER - TARGET RANGE</b>	<b>1,000 - 1,200</b>	
<b>TOTAL POTENTIAL</b>	<b>\$5,350 – \$6,450</b>	
<b>ESTIMATED PROJECT COST</b>	<b>\$4,400 – \$5,000</b>	

\* includes \$3M per agency contribution to FTA Engineering

# Strategy by FTA Milestone: Key Risk/Focus Items

## Milestone 1

**(\$900M by Feb '23)**

- RM3
- SF Sales Tax Reauthorization
- TIRCP

## Milestone 2

**(+\$600M by Aug '23)**

- Longer-term forecasts for dedicated Transbay funding sources (CFD; Tax Increment)
- Other State funds / surplus
- Other federal (e.g., FRA Intercity Rail)

## Milestone 3

**(+\$1.5B by Spring '25)**

- Operator capital contributions
- New regional and/or local measure(s)
- Other and/or non-traditional sources to complete full funding plan (e.g., private investment, PFCs, capital lease, etc.)

# Thank you

