



# Memorandum

**Date:** 07.16.15 **RE:** Plans and Programs Committee  
July 21, 2015

**To:** Plans and Programs Committee: Commissioners Tang (Chair), Christensen (Vice Chair), Breed, Farrell, Yee and Wiener (Ex Officio)

**From:** Maria Lombardo – Chief Deputy Director *mel*

**Through:** Tilly Chang – Executive Director *TC*

**Subject:** **INFORMATION** – Major Capital Projects Update – Transbay Transit Center and Downtown Extension

## Summary

The Transbay Transit Center (TTC) project, one of the signature Prop K projects, is being built in two phases: Phase 1 is the TTC building, bus ramp, and related improvements, and Phase 2 is the downtown extension of commuter rail service into the new TTC, accommodating both Caltrain and high speed trains (DTX). In 2013, the Transbay Joint Powers Authority (TJPA) conducted a full cost and schedule Risk Assessment Workshop for Phase 1. In July 2013, the TJPA Board approved a revised Phase 1 budget of \$1.899 billion, an increase of \$310.4 million over the May 2010 baseline. On July 9, 2015, the TJPA Board was briefed on an additional Phase 1 budget increase of \$246.92 million, to be approved at its September meeting. The increase is attributed to changed market conditions, complex facility design, overly optimistic cost estimates in some instances, and a competitive bidding environment, which now require replenishing project contingencies and program reserve at prudent levels. TJPA staff has proposed deferral of the offsite bus storage facility (reduces cost by \$19.5 million) and has identified \$160 million in additional revenues through the sale of land (Parcel F) originally designated for DTX (see agenda item 4 on partial release of quitclaim interest in portions of various parcels financed with Prop K funds) leaving a \$87.5 million funding gap. Possible sources to close the gap include redirecting Community Facility District revenues from Phase 2, land sales, sponsorship, and federal grants. Phase 1 construction began in November 2008 and as is about 50% complete. Bus operations at the new TTC are scheduled to commence in December 2017, reflecting a three month delay relative to the last project update in fall of 2013. DTX is essentially on hold given a significant funding shortfall, which will be larger after dealing with Phase 1 cost increases.

## BACKGROUND

Headed by the Transbay Joint Powers Authority (TJPA), the Rebuilt Transbay Terminal Program also known as the Transbay Transit Center/Caltrain Downtown Extension (TTC/DTX) consists of three interconnected elements: replacing the outmoded terminal with a modern terminal; extending Caltrain 1.3 miles from Fourth and King streets to the new TTC at First and Mission Streets, with accommodations for future high-speed rail service; and creating a new transit-friendly neighborhood with 3,000 new homes (35 percent of which will be affordable) and mixed-use commercial development. TJPA was created in April 2001 by the City and County of San Francisco, Alameda-Contra Costa Transit District (AC Transit), and the Peninsula Corridor Joint Powers Board in order to design, build, operate and maintain the project. The TTC will be the northern terminus of the California high-speed rail

corridor between San Francisco and Los Angeles. The project is being built in two phases: Phase 1 is the TTC building, bus ramp, and related improvements, and Phase 2 is the DTX. TJPA is moving forward with Phase 1, but Phase 2 is essentially on hold due to a significant funding gap.

TTC/DTX is the largest project in the Prop K Expenditure Plan, which designates up to \$270 million (in 2003 dollars) for this purpose. The Expenditure Plan specifies that the TTC and the DTX are to be built as a single integrated project. To date, the Transportation Authority has allocated \$177 million in Prop K funds to the project.

## DISCUSSION

The purpose of this memorandum is to provide the Plans and Programs Committee with a project delivery update on the TTC project, one of the signature projects of the Prop K Expenditure Plan. The total program budget is currently estimated at \$4.5 billion in year-of-expenditure dollars. In May 2010, the TJPA Board adopted a \$1.6 billion budget for Phase 1, which consists of the TTC, bus and pedestrian ramps, and the train box, which is the underground portion of the TTC building that will house the Caltrain and high-speed rail station. In July 2013, the TJPA Board approved a revised budget of \$1.899 billion for Phase 1 of the project (see Budget and Cost section for further details).

The current estimate for Phase 2 (DTX) is \$2.6 billion. Work on Phase 2 is on hold due to a significant funding gap. TJPA is exploring the feasibility of alternative project delivery options, including Public Private Partnership (P3) as a means to reduce cost and accelerate delivery of DTX. The Transportation Authority, the City and County of San Francisco, and other funding partners are working with TJPA to advance strategies to close the funding gap for Phase 2. The remainder of this memo focuses on a project status update for Phase 1.

**Budget and Cost:** In the spring of 2013, TJPA conducted a full cost and schedule Risk Assessment Workshop for Phase 1. Subsequently, on July 11, 2013, the TJPA Board approved a revised budget of \$1.899 billion for the phase, an increase of \$310.4 million over the May 2010 baseline. The increase is mostly due to more competitive market conditions, modifications necessitated by an earlier terrorism-related Risk and Vulnerability Assessment, and resetting contingencies and program reserve at prudent levels. As part of the 2013 project budget revision, TJPA worked to offset the \$310.4 million Phase 1 cost increase through value engineering, phasing, identification of funding and financing strategies, and reducing costs by re-bidding the steel superstructure. The current Phase 1 budget is shown below:

<b>Transbay Transit Center Capital Costs in Millions (as of July 2013)</b>	
Planning and Design	\$217
Construction	\$1,340
Real Estate	\$84
Other Services	\$110
Other Costs	\$55
Program Contingency	\$93
<b>Approved Baseline Budget Total</b>	<b>\$1,899</b>

As of July 9, 2015, the project has committed to \$1,141.63 million of costs against the previously authorized budget of \$1.899 billion. The breakdown of these costs is shown below:

<b>Awarded to Date (direct costs in millions)</b>	
Transit Center	\$ 877.67
Utility Relocation	\$ 20.84
Demolition Old Terminal	\$ 15.48
Temporary Terminal	\$ 20.65
Bus Ramp	\$ 56.23
<b>Subtotal Award through May 2015</b>	<b>\$ 990.87</b>
<b>Recommended for Award July 2015</b>	<b>\$ 150.76</b>
<b>Total Award through July 2015</b>	<b>\$ 1,141.63</b>

**Anticipated Phase 1 Cost Increase:** As of July 9, 2015, TJPA staff estimates \$246.9 million in additional project costs to complete Phase 1, beyond the \$1.889 billion. This is up \$21 million from the \$225 million reported during the special TJPA Board meeting held on June 19, 2015. Changes since June were informed by bids received in the interim. A breakdown of the cost increase areas are shown below:

<b>Tansbay Transit Center Funding Gap</b>	<b>In Millions</b>
Remaining TTC Construction Awards (direct cost)	
Budget	\$ 163.84
CM/GC Estimate/Known Bid Results*	\$ (303.52)
Balance	\$ (139.68)
Additional CM/GC Costs	\$ (22.42)
Soft Costs: Construction Management Oversight	\$ (26.70)
Bus Storage	\$ (3.50)
Replenishment of Construction Contingency /Program Reserve*	\$ (71.91)
Various Program Savings	\$ 17.28
<b>Total Additional Budget Need</b>	<b>\$ (246.92)</b>

\*CM/GC stands for construction manager/general contractor.

Bids received in June 2015, totaled \$303.52 million, against a budget of \$163.84 million, \$139.68 million higher than budgeted. The major components were the glass curtain wall, which was \$59.71 million against a budget of \$26.81 million, and the rooftop park, which was \$33.28 million against a \$24.5 budget. The \$59 million cost for the glass curtain wall is a reduction from the original bid after extensive negotiations. The majority of the increases were due to quantities adjustments and market conditions. In the case of the interiors, there were additional masonry walls and scaffolding associated with their installation that were previously omitted, not to mention the overly aggressive production rates assumed

in the original budget estimates (a bid cost of \$39.03 million versus \$20.86 million budget estimate). The causes for the increased bid costs over original budget estimates for some of the other packages are still under investigation.

Given the aforementioned cost increases, there has been a corresponding increase in soft costs as indicated in the table below:

Soft Costs in Millions	Budget (as of June 2015)	Revised Budget	Delta
Design	\$ 188.66	\$ 178.28	\$ 10.39
Construction Management	\$ 53.83	\$ 75.98	\$ (22.15)
Pre-Construction	\$ 31.27	\$ 31.27	\$ 0.00
Art	\$ 2.00	\$ 2.00	\$ 0.00
ROW	\$ 77.68	\$ 77.68	\$ 0.00
PMPC*	\$ 101.45	\$ 101.45	\$ 0.00
Admin/Legal/Financial/etc.	\$ 124.65	\$ 122.29	\$ 2.36
<b>Total</b>	<b>\$ 579.53</b>	<b>\$ 588.94</b>	<b>\$ (9.41)</b>

\*PMPC stands for program management/program controls.

**Funding:** Attachments 1 and 2 show detailed funding plans for Phase 1 and Phase 2 respectively. Below is a summary of Phase 1 funding sources:

<b>Transbay Transit Center (Phase 1) Anticipated Funding Sources in Millions (as of July 2015)*</b>	
<b>Local:</b>	Land Sales (\$510) Transit Center District (Mello-Roos)(\$199) Prop K sales tax (\$139) Other (\$53)
<b>\$901</b>	
<b>Regional:</b>	Regional Measures 1 & 2 (bridge tolls) (\$197) AB1171 (bridge tolls)(\$150)
<b>\$347</b>	
<b>State:</b>	Regional Improvement Program (SFCTA) (\$10)
<b>\$10</b>	
<b>Federal:</b>	ARRA (\$400) TIFIA Loan (\$171) FTA Grants (\$62) OneBayArea Grant (\$6) FRA Rail relocation (\$3)
<b>\$642</b>	

\*See Attachments 1 and 2 for fund source acronyms. TIFIA loan to be repaid with tax increment from Transbay redevelopment area.

During the last project budget revision in 2013, TJPA identified \$110.3 million in additional funding that left an estimated \$200.1 million funding gap between the revised budget and committed funds in 2013. To close this funding gap, TJPA secured a \$171 million loan through the Transportation Infrastructure Finance and Investment Act (TIFIA) for the implementation of the Transbay Transit Center. This loan

is anticipated to be received in late 2015 or early 2016. To ensure the project construction stayed on schedule prior to receiving the TIFIA loan disbursement, TJPA negotiated and closed on an interim bridge financing with Goldman Sachs Bank USA and Wells Fargo Securities LLC (Goldman Sachs) in January 2015. This bridge loan was secured based on the anticipated sales of several real estate parcels within and near the project area, such as Blocks 4 and 5.

TJPA staff has been working with the City and other funding partners, including the Transportation Authority, on a strategy to close the anticipated additional funding gap. Thus far, that strategy includes additional land sales (including Parcel F), scope deferral, and seeking additional funds (e.g. sponsorship, discretionary grants, more funding from the existing community facilities district). TJPA anticipates presenting a revised Phase 1 budget and funding plan to its Board for approval on September 10, 2015. Over the next month, TJPA will be able to obtain more information on costs for several bid packages not yet awarded and will continue to refine a strategy to close the estimated project funding shortfall with project partners. Below is the proposed funding gap mitigation plan as of July 9, 2015:

<b>Transbay Transit Center</b>	<b>Millions of Dollars</b>
Current Budget	\$1,899.4
Current Estimate (30% Risk Level)	\$2,146.3
<b>Amount of Additional Budget Needed</b>	<b>\$246.9</b>
<b>Scope Deferral</b>	
Bus Storage	(\$19.5)
Revised Additional Budget Needed	\$227.5
<b>Revised Budget Total</b>	<b>\$2,126.9</b>
<b>Phase 1 Funding</b>	
Current Budget (fully funded)	\$1,899.4
Timing of CFD availability during Phase 1	(\$20.0)
Parcel F minimum bid price	\$160.0
<b>Total Funding</b>	<b>\$2,039.4</b>
Revised Additional Budget (30% Risk Level budget )(mitigated)	\$2,126.9
<b>Remaining Funding Need/Shortfall</b>	<b>\$87.5</b>

As part of the proposed budget revision, TJPA staff recommended the deferral of the construction of the bus storage facility for the Alameda-Contra Costa Transit District (AC Transit) until funding is available. However, deferral of this segment of the project will increase operational costs for AC Transit in the short term and may reduce its ability to respond to operational emergencies, such as BART closures. Furthermore, the bus storage bid packet includes an access ramp that is needed by Amtrak buses to reach the terminal. If this scope deferral is not approved, it will increase the funding gap by another \$19.5 million.

The City established the CFD in January 2015, which was a significant funding milestone for the TTC. The CFD designates 82.6% of revenues for the TTC project. Current projections put this amount at \$667 million, of which \$200 million is currently slated for Phase 1 and the remainder for Phase 2. Timing of when the City can leverage the CFD revenues (based on development schedule), means that some sort of financing will be required as the TTC will be completed before the bulk of the CFD revenues are expected to be available. TJPA, the City and Transportation Authority staff are working to address this issue and help TJPA close the funding gap.

TJPA is also working on developing a community benefit district (CBD) which will help fund the

maintenance of the 5.4 acre roof top park (estimated at \$1.9 million a year) and other street and facilities within the Rincon Hill and Transbay center neighborhood. This will require positive support for a ballot measure. TJPA staff will bring a resolution of formation to the Board of Supervisors later in July for its consideration.

**Schedule:** Bus operations at the new Transit Center are scheduled to commence in late 2017. As of July 9, 2015, Phase 1 construction is 50% complete. A list of major upcoming milestones for the project is shown below.

<b>Major Project Milestones</b>	
Complete Below Grade Concrete / Train Box	September 2015
Complete Steel Superstructure	June 2016
Complete Above Grade Concrete	September 2016
Connect Bus Ramps to Transit Center	June 2016
Complete Exterior Curtain Wall	September 2016
Complete Finish Interiors	December 2016
Begin Bus Operations	December 2017

In September 2007, the TJPA Board selected the Pelli Clarke Pelli Architects team to design the new landmark TTC. Design work on the TTC is complete, including the design of the value engineering efforts identified during the 2013 budget update.

Phase 1 construction commenced in November 2008 with the construction of the temporary terminal, where bus service started in August 2010. Demolition of the old terminal was completed in January 2011, and Balfour Beatty Construction commenced work on the \$187 million excavation and shoring contract in March 2011. This contract is now complete. Shimmick Construction started work in October 2012 on the \$112 million below-grade construction contract, where work began with micropiles, grounding, waterproofing, and mat slab. In July 2013, TJPA gave Notice-to-Proceed to Skanska USA for the \$189 million steel superstructure package. Work on both of these contracts is well underway. TJPA awarded the construction of the new bus ramp project to Shimmick in 2014 for a total cost of \$56.2 million.

Other construction activities that will begin between July and September 2015 include:

- Metal Ceiling Construction (\$28.30 M)
- Topping Slabs/ Bus Crash Railing / Expansion Joints (\$27.68 M)
- Civil Site work at grade including landscaping (\$16.77 M)
- Interiors and Finishes (\$39.03 M)
- Roof Park Landscape (\$33.28 M)
- Glazing packages (\$59.71 M)
- Exterior Awning Construction (\$35.26 M)

Of the total 1,557,866 labor hours on the project since construction began, nearly 20% have been performed by San Francisco residents, and over 66% by the bay area locals, the highest percentage commuting from the East Bay (38% from Alameda, Contra Costa and Solano counties). The project expects to add over 180 additional laborers to their current staffing of nearly 300 in the next six months. The worker safety record on the project has been excellent considering the number of workers and contractors working simultaneously in the same physical area; there have been only two recordable

incidents from January through June of 2015.

The remaining construction work to be awarded includes:

- Glass Floors (\$10 M)
- Metal Column Covers (\$6.5 M)
- IT Network (\$20.01M)
- Roof Top Mechanical / Electrical / Plumbing (\$13.50 M)
- Art Work (\$2.18M)

**DBE/SBE Program:** A summary of the project’s disadvantaged business enterprise (DBE) goals compared to actual participation by contract is included below.

<b>Small and Disadvantaged Business (SBE/DBE) Utilization</b>					
<b>Overall DBE and SBE Participation</b>	<b>DBE Goal</b>	<b>DBE Awarded</b>	<b>SBE Awarded</b>	<b>DBE Payments</b>	<b>SBE Payments</b>
Life of the Program (Since 2004)	n/a	10%	21%	\$73,741,600	\$171,108,100
Federal Fiscal Years October 2013–September 2016	14.8%	4%	21%	\$24,484,700	\$41,749,000

**Challenges:** As mentioned above, the Phase 1 budget has about a \$247 million funding gap. TJPA has developed a strategy to remedy some of the gap by delaying the construction of the bus storage facility and securing additional funds from land sales as well as a larger portion of the CFD, leaving a funding gap of \$87 million. If the TJPA Board does not approve deferral of the bus storage facility, this will increase the funding gap by \$19.5 million. While sufficient CFD funds are committed to the overall TTC/DTX program to help cover the estimated remaining funding shortfall, timing of the CFD funds for the project has to consider the needs of other Transbay District improvement (e.g. streetscape improvements) slated for CFD funds that also need to be in place when the TTC opens. In addition, increasing CFD funds for Phase 1 would directly reduce CFD funds currently assigned to Phase 2 (DTX). Further, some financing will be required given the anticipated schedule for when the City could leverage CFD bond revenues. TJPA has ongoing efforts to secure additional funding commitments (e.g. discretionary grants, sponsorship), but the Phase 1 funding gap has particular time sensitivity since evidence of full funding for Phase 1 is a prerequisite for disbursement of the TIFIA loan.

At its last board meeting on July 9, 2015, the TJPA Board directed staff to identify and pursue opportunities to reduce project costs and secure additional funds to meet the project’s proposed revised budget, closing the funding gap. The project has already faced many challenges associated with complex design, limited access to staging and construction areas, and working in a very congested neighborhood. Since the majority of the bid packages have been either advertised or awarded, any effort to reduce project scope will lead to additional project delays and associated costs.

We will continue to work closely with TJPA, the City, and other funding partners to support delivery of both Phase 1 and Phase 2. The current funding situation for Phase 2 calls for TJPA and its funding partners to re-evaluate the project, to develop a strategy to move the project forward, considering compatibility with current and proposed land use plans; updated project scope, schedule and cost; alternatives for project delivery methods; and funding strategy so that Caltrain and High-Speed Rail services can be extended to the new TTC.

**ALTERNATIVES**

None. This is an information item.

**CAC POSITION**

None. This is an information item.

**FINANCIAL IMPACTS**

None. This is an information item.

**RECOMMENDATION**

None. This is an information item.

Attachment:

1. Transbay Transit Center Funding Plan, Updated June 2015



# Attachment 1

## Downtown Extension to a Rebuilt Transbay Transit Center Funding Plan Updated July 2015

### Phase 1: Transbay Transit Center

Source <sup>2</sup>	Type	Status	Project Phases <sup>1</sup>				Total by Status	TOTAL <sup>3</sup>
			PE/ENV	PS&E	ROW	CON		
ARRA	Federal	Allocated	\$0	\$70,000,000	\$0	\$330,000,000	\$400,000,000	\$400,000,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
FRA Rail Relocation	Federal	Allocated	\$0	\$0	\$0	\$2,650,000	\$2,650,000	\$2,650,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
FTA Grants	Federal	Allocated	\$19,626,000	\$2,500,000	\$0	\$40,264,000	\$62,390,000	\$62,390,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
FEMA Grants	Federal	Allocated	\$0	\$100,000	\$0	\$0	\$100,000	\$100,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
OneBayArea Grant	Federal	Allocated	\$0	\$0	\$0	\$0	\$0	\$6,000,000
		Programmed	\$0	\$0	\$0	\$6,000,000		
		Planned	\$0	\$0	\$0	\$0		
TIFIA Loan <sup>3</sup>	Federal	Allocated	\$0	\$0	\$0	\$171,000,000	\$171,000,000	\$171,000,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
AB 1171	State	Allocated	\$0	\$67,400,000	\$0	\$80,276,000	\$147,676,000	\$150,000,000
		Programmed	\$0	\$2,324,000	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
Regional Measure 1	State	Allocated	\$6,600,000	\$0	\$0	\$47,800,000	\$54,400,000	\$54,400,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
Regional Measure 2	State	Allocated	\$40,930,443	\$15,243,327	\$52,745,000	\$31,722,000	\$140,640,770	\$143,016,443
		Programmed	\$0	\$2,375,673	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
RIP-SF	State	Allocated	\$0	\$6,762,000	\$3,391,000	\$0	\$10,153,000	\$10,153,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
AC Transit	Local	Allocated	\$0	\$3,398,000	\$0	\$6,445,000	\$9,843,000	\$39,552,000
		Programmed	\$0	\$0	\$0	\$29,709,000		
		Planned	\$0	\$0	\$0	\$0		
Land Sales	Local	Allocated	\$0	\$0	\$0	\$222,456,476	\$222,456,476	\$510,000,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$287,543,524		
Other Local <sup>4</sup>	Local	Allocated	\$2,306,000	\$643,000	\$37,000	\$5,673,000	\$8,659,000	\$8,659,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
Prop K	Local	Allocated	\$26,693,901	\$19,050,000	\$23,665,283	\$53,799,616	\$123,208,800	\$139,344,474
		Programmed	\$0	\$5,826,000	\$0	\$10,309,674		
		Planned	\$0	\$0	\$0	\$0		
SMCTA	Local	Allocated	\$4,497,000	\$0	\$0	\$0	\$4,497,000	\$4,497,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$0		
Transit Center District Plan Revenues <sup>5</sup>	Local	Allocated	\$0	\$0	\$0	\$0	\$0	\$198,500,000
		Programmed	\$0	\$0	\$0	\$0		
		Planned	\$0	\$0	\$0	\$198,500,000		
<b>Totals</b>		<b>Allocated</b>	<b>\$100,653,344</b>	<b>\$184,996,327</b>	<b>\$79,838,283</b>	<b>\$992,086,092</b>	<b>\$1,357,574,046</b>	<b>\$1,900,161,917</b>
		<b>Programmed</b>	<b>\$0</b>	<b>\$10,525,673</b>	<b>\$0</b>	<b>\$46,018,674</b>	<b>\$56,544,347</b>	
		<b>Planned</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$486,043,524</b>	<b>\$486,043,524</b>	
			<b>\$100,653,344</b>	<b>\$195,522,000</b>	<b>\$79,838,283</b>	<b>\$1,524,148,290</b>	<b>\$1,900,161,917</b>	

<sup>1</sup> Acronyms used for project phases include: PE/ENV - Preliminary Engineering/Environmental Documentation, PS&E - Plans, Specifications & Estimates or Final Design, ROW - Right of Way, CON - Construction.

<sup>2</sup> Acronyms used in this column include: AB - Assembly Bill, ARRA - American Recovery and Reinvestment Act, FRA - Federal Railroad Administration, FTA - Federal Transit Administration, RIP - Regional Improvement Program, TJPA - Transbay Joint Powers Authority, SMCTA - San Mateo County Transportation Authority, and TIFIA - Transportation Infrastructure Finance and Innovation Act

<sup>3</sup> On July 11, 2013, the TJPA approved a revised budget of \$1.899 billion, an increase of \$310.4 million over the May 2010 baseline.

<sup>4</sup> The majority source of repayment for the TIFIA loan is tax increment. Passenger facility charges from AC Transit also represent a portion of the pledged revenues.

<sup>5</sup> Other Local includes proceeds from the sale of Transferable Development Rights (TDRs) associated with 80 Natoma, as well as income from leasing out the various properties TJPA acquired before they were needed for construction. This also includes a small amount of interest earnings.

<sup>6</sup> The Transit Center District Plan includes impact fees and formation of a Community Facilities District (CFD) to provide project funding. TJPA anticipates that the San Francisco Board of Supervisors will approve the legislation to form the CFD by the end of calendar year 2014.

**Downtown Extension to a Rebuilt Transbay Transit Center Funding Plan**  
**Updated August 2014**

**Phase 2: Downtown Extension**

Source <sup>2</sup>	Type	Status	Project Phases <sup>1</sup>				Total by Status	TOTAL <sup>3</sup>
			PE/ENV	PS&E	ROW	CON		
TIFIA Loan	Federal	Allocated	\$0	\$0	\$0	\$0	\$0	\$134,241,101
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$134,241,101	\$134,241,101	
Alternatives Analysis Grant	Federal	Allocated	\$1,240,000	\$0	\$0	\$0	\$1,240,000	\$1,240,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$0	\$0	
Regional Measure 2	State	Allocated	\$6,983,557	\$0	\$0	\$0	\$6,983,557	\$6,983,557
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$0	\$0	
Land Sales	Local	Allocated	\$0	\$0	\$0	\$0	\$0	\$80,000,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$80,000,000	\$80,000,000	
SMCTA	State	Allocated	\$0	\$0	\$18,862,415	\$0	\$18,862,415	\$18,862,415
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$0	\$0	
Prop K <sup>6</sup>	Local	Allocated	\$20,028,809	\$1,519,000	\$29,000,000	\$0	\$50,547,809	\$83,332,880
		Programmed	\$0	\$0	\$0	\$30,161,173	\$30,161,173	
		Planned	\$0	\$2,623,898	\$0	\$0	\$2,623,898	
RIP-SF <sup>4</sup>	State	Allocated	\$0	\$0	\$0	\$0	\$0	\$17,800,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$17,800,000	\$17,800,000	
New Starts	Federal	Allocated	\$0	\$0	\$0	\$0	\$0	\$650,000,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$650,000,000	\$650,000,000	
New Bridge Tolls	Local	Allocated	\$0	\$0	\$0	\$0	\$0	\$300,000,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$300,000,000	\$300,000,000	
High Speed Rail	Federal or State	Allocated	\$0	\$0	\$0	\$0	\$0	\$557,000,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$557,000,000	\$557,000,000	
Sales Tax Extension / Other Local	Local	Allocated	\$0	\$0	\$0	\$0	\$0	\$350,000,000
		Programmed	\$0	\$0	\$0	\$0	\$0	
		Planned	\$0	\$0	\$0	\$350,000,000	\$350,000,000	
Joint Development <sup>5</sup>	Local	Allocated	\$0	\$0	\$0	\$0	\$0	\$396,157,102
		Programmed	\$0	\$55,238,102	\$154,126,640	\$186,792,360	\$396,157,102	
		Planned	\$0	\$0	\$0	\$0	\$0	
Other Local <sup>4</sup>	Totals	Allocated	\$28,252,366	\$1,519,000	\$47,862,415	\$0	\$77,633,781	\$2,598,240,953
		Programmed	\$0	\$57,862,000	\$154,126,640	\$216,953,533	\$428,942,173	
		Planned	\$0	\$2,623,898	\$0	\$2,089,041,101	\$2,091,664,999	
			\$28,252,366	\$62,004,898	\$201,989,055	\$2,305,994,634	\$2,598,240,953	

<sup>1</sup> Acronyms used for project phases include: PE/ENV - Preliminary Engineering/Environmental Documentation, PS&E - Plans, Specifications & Estimates or Final Design, ROW - Right of Way, CON - Construction.

<sup>2</sup> Acronyms used in this column include: RIP - Regional Improvement Program, SMCTA - San Mateo County Transportation Authority, and TIFIA - Transportation Infrastructure Finance and Innovation Act

<sup>3</sup> Phase 2 budget based on Plan Bay Area Transportation Investment Strategy. Planned revenues subject to change.

<sup>4</sup> In November 2005, through Resolution 06-30, the Transportation Authority committed to prioritizing its RIP funds to four major capital projects, including the Downtown Extension to a Rebuilt Transbay Terminal. This commitment stems from the 2001 Regional Transportation Plan. In March 2012, through Resolution 12-44, the Transportation Authority Board made the Central Subway the second priority for future RIP funds and repayment of the MTC STP/CMAQ advance (i.e. by programming \$34 million in RIP funds to a project or projects of MTC's choice) the third priority. No priority order had been assigned to the remaining two projects, which includes the subject project and Caltrain Electrification.

<sup>5</sup> The amount of Joint Development in the Plan Bay Area Transportation Investment Strategy is \$100 million. As the formation of a Mello-Roos Community Facilities District moves forward, updated projections show that DTX can expect a much higher amount. Funding plan includes corresponding reduction in TIFIA and Land Sales; previous Land Sales projection had been a pre-2008 recession projection.

<sup>6</sup> Allocation of funds for the \$2.6 million in Prop K funds for the design phase will require a Strategic Plan policy exception to allow Phase 2 funds to be used for the design phase instead of the construction phase. Given that there is limited funding currently available to the project, we are recommending programming about \$2.6 million for ongoing project support in Fiscal Years 2015/16 and 2016/17.