

Central Corridor LRT
St. Paul-Minneapolis, Minnesota
Final Design
(Based upon information received by FTA in December 2010)

Summary Description	
Proposed Project:	Light Rail Transit 11 Miles, 18 Stations
Total Capital Cost (\$YOE):	\$956.90 Million (includes \$16.5 million in finance charges)
Section 5309 New Starts Share (\$YOE):	\$473.95 Million (49.5%)
Annual Forecast Year Operating Cost:	\$40.39 Million
Ridership Forecast (2030):	40,900 Average Weekday Boardings 6,000 Daily New Riders
Opening Year Ridership Forecast (2014):	32,400 Average Weekday Boardings
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium-High

Project Description: The Metropolitan Council (MC), in cooperation with the Ramsey and Hennepin Counties Regional Rail Authorities (RCRRA and HCRRA), proposes to construct a double-track light rail transit (LRT) line that would link the downtowns of St. Paul and Minneapolis. The LRT line would also serve a number of major activity centers, including the University of Minnesota-Minneapolis, the State Capitol, and major event venues (Target Center and Metrodome). From Minneapolis, the LRT line would share 1.2 miles of existing track with the Hiawatha LRT line before turning east in its own right of way across the Mississippi River on the existing Washington Avenue Bridge to St. Paul, following University Avenue to the State Capitol area, and terminating at the Union Depot in downtown St. Paul. The MC intends to procure 31 light rail vehicles that would operate at 7.5-minute peak period headways. A vehicle maintenance facility would be constructed in St. Paul.

Project Purpose: The Central Corridor links two central business districts. Existing corridor transit service includes express buses operating on Interstate 94 serving both downtowns, limited-stop and local buses on University Avenue, and a local bus route with stops every few blocks on a parallel arterial. Current transit service utilizes reverse-flow lanes in downtown Minneapolis, bus-only freeway shoulder lanes and freeway entrance bypass ramps. Existing bus service is impacted by high traffic volumes at major intersections along University Avenue during peak periods. On-time reliability in 2007 for the local bus services on University Avenue and the parallel arterial was relatively low at 88 percent. Roadway expansion is not included in the region's long-range transportation plans.

Project Development History, Status and Next Steps: The RCRRA completed an alternatives analysis/Draft Environmental Impact Statement (EIS) in April 2006. FTA approved the Central Corridor project into preliminary engineering in December 2006. The MC then examined several alternative alignments through the University of Minnesota, including at-grade and tunnel options. A supplemental DEIS was issued in July 2008. A Final EIS that recommended an at-grade LRT route through the University's main campus was issued in June 2009, and a Record of Decision was in August 2009. In January 2010, in response to local community concerns, FTA and the MC issued a supplemental Environmental Assessment that evaluated the impacts of adding three infill stations to the project. In February 2010, FTA issued a Finding of No Significant Impact for the three infill stations. In May 2010, FTA approved the project into final design. The MC anticipates receiving a Full Funding Grant Agreement in Spring 2011.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 New Starts	\$473.95	49.5%
FHWA Flexible Funds (CMAQ)	\$4.50	0.5%
State:		
Minnesota Legislature (General Obligation Bonds)	\$91.54 \$2.58	9.6% 0.3%
Metropolitan Council		
Local:		
Counties Transit Improvement Board (sales tax)	\$283.95	29.7%
Ramsey County Regional Railroad Authority (property tax)	\$66.41	6.9%
Hennepin County Regional Railroad Authority (property tax)	\$28.23	3.0%
City of St. Paul Transit Improvement Fund	\$5.20	0.5%
Central Corridor Funders Collaborative (private donations)	\$0.50	0.1%
Total:	\$956.90	100.0%

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

**MN St. Paul-Minneapolis, Central Corridor LRT
FY2012 Financial Assessment Summary prepared November 2010**

Factor	Rating	Comments
Local Financial Commitment Rating	Medium-High	
Non-Section 5309 New Starts Share (20% of summary financial rating)	Medium	The New Starts share of the project is 49.5 percent.
Project Capital Financial Plan (50% of summary financial rating)	Medium-High	
Capital Condition (25% of capital plan rating)	Medium-High	The average age of the bus fleet is 7.7 years, which is consistent with the industry average. The very good bond ratings, which were issued in 2010, are: Moody's Investors Service Aa1, Fitch's Rating AAA and Standard & Poor's Corporation AAA.
Commitment of Funds (25% of capital plan rating)	High	All of the non-Section 5309 New Starts funds are committed. Sources of funds include Congestion Mitigation and Air Quality Improvement (CMAQ) funds, General Obligation bond revenues from the State, dedicated sales tax and sales tax bond revenues from the Counties Transit Improvement Board (CTIB), property tax bond revenues from the Ramsey County Regional Railroad Authority (RCRRA) and Hennepin County Regional Railroad Authority (HCRRA), capital improvement bonds, City of St. Paul Transit Improvement Fund, and a grant from Central Corridor Funders Collaborative (CCFC).
Capital Cost Estimates, Assumptions and Financial Capacity (50% of capital plan rating)	Medium	Revenue assumptions are consistent or somewhat optimistic with historical data, including State General Obligation bonds, CTIB property tax bond revenues, and revenues from the local regional rail authorities. The capital cost estimate is considered reasonable. The financial plan demonstrates that Met Council, the State of Minnesota, CTIB, and the county railroad authorities have funding sources and debt capacity available to fund project cost overruns and Federal funding delays equal to at least 10 percent of the capital cost estimate.
Project Operating Financial Plan (30% of summary financial rating)	Medium-High	
Operating Condition (25% of operating plan rating)	High	The Metropolitan Council's current ratio of current assets to current liabilities as reported in its most recent audited financial statement is 2.64.

<p>Commitment of Funds (25% of operating plan rating)</p>	<p>High</p>	<p>Over 80 percent of operating funding is committed, while the remainder is budgeted. The main revenue sources are fares, motor vehicle sales tax revenues, State/local operating assistance and other transit-related revenue.</p>
<p>O&M Cost Estimates, Assumptions, and Financial Capacity (50% of operating plan rating)</p>	<p>Medium</p>	<p>Assumptions regarding growth in operating and maintenance costs are slightly optimistic compared to historical experience.</p> <p>Assumptions regarding growth in farebox revenues, motor vehicle sales tax revenues, and projected inflation are consistent with historical experience.</p> <p>Projected cash balances and reserve account are greater than 12.5 percent of annual system-wide operating expenses.</p>

**Central Corridor LRT
St. Paul-Minneapolis, Minnesota
Final Design**

**(Land Use and Economic Development Rating based upon Information accepted by FTA
November 2008)**

LAND USE RATING: Medium-High

The land use rating reflects the population and employment densities within ½-mile of proposed station areas.

- Population density is approximately 8,600 people per square mile in the corridor, and total employment in project station areas is approximately 280,100 jobs. In 2000, employment in the Minneapolis CBD was 146,500 and is expected to increase to 193,600 by 2030. CBD employment in St. Paul was estimated at 47,500 and is anticipated to increase to 77,900 by 2030. The corridor serves the region's largest job centers including the Minneapolis and St. Paul CBDs, Target Center, State Capitol complex, and the University of Minnesota-St. Paul, among others.
- In both CBDs, virtually all streets are fully equipped with curb cuts and Americans with Disabilities Act compliant sidewalks. Most major streets, including those with bridges, include pedestrian accommodations. The majority of major streets also have designated bicycle and pedestrian lanes.

ECONOMIC DEVELOPMENT RATING: High

Transit-Supportive Plans and Policies: High
(50 percent of Economic Development Rating)

- Throughout the corridor numerous station area, small area, and neighborhood plans have been adopted and contain numerous growth management strategies as a result of the 2030 Regional Development Framework Plan.
- Established regional growth boundaries (known locally as urban service boundaries), including regional investments in programs such as Livable Communities, have helped to encourage investment in higher intensity, mixed-use transit-supportive land development.
- The adopted Regional Development and Transportation Plan, the Regional Transit-Oriented Development (TOD) Handbook, the Metropolitan Council's land use grant program, and the LRT/Land Use Coordination process all support increased corridor and station area development, including pedestrian facilities and transit-friendly character.
- Numerous regulatory and financial incentives also promote transit-supportive development throughout the corridor.

Performance and Impacts of Policies: Medium-High
(50 percent of Economic Development Rating)

- There are numerous projects planned or under construction in the station areas, including mixed uses and urban villages that include increased housing densities and other transit-supportive elements.
- In 2002 a study was completed that assessed the potential for redevelopment within a ¼-mile of each proposed station area along the corridor. The report detailed redevelopment and infill development opportunities station by station. The findings revealed that the majority of planned station areas have strong TOD potential.

Central Corridor LRT

St. Paul-Minneapolis, Minnesota

