



RESOLUTION ACCEPTING THE DOWNTOWN RAIL EXTENSION (DTX) PHASING STUDY FINAL REPORT, SUPPORTING THE DTX PHASING STRATEGY OF THE TRANSBAY JOINT POWERS AUTHORITY (TJPA), AND RELEASING \$2,644,557 IN PREVIOUSLY ALLOCATED PROP K FUNDS, WITH CONDITIONS, FOR DTX PROJECT DEVELOPMENT

WHEREAS, the Downtown Rail Extension (DTX) is a project of local, regional, and statewide significance, that will bring Caltrain and future California High-Speed Rail to the Salesforce Transit Center in downtown San Francisco; and

WHEREAS, In November 2019, through approval of Resolution 20-15, the Transportation Authority Board accepted the Final Report of the Peer Review Expert Panel convened to recommend changes to the governance, oversight, management, and project delivery of the DTX; and

WHEREAS, In April 2020, through approval of Resolution 20-48, the Transportation Authority Board authorized the execution of the Peninsula Rail Program Memorandum of Understanding (MOU) between the Transportation Authority and five other parties, to implement many of the recommendations from the Expert Panel and establish a new organizational structure to support the efforts of the Transbay Joint Powers Authority (TJPA) in the development of the DTX to a ready-for-procurement status; and

WHEREAS, The MOU sets out a DTX development work program and establishes both an Integrated Program Management Team (IPMT), consisting of senior staff from all six agencies, to support delivery of the technical work program, and an Executive Steering Committee (ESC), consisting of senior executive leadership from all six agencies, to provide oversight of the work program, with the ESC reporting to the TJPA Board of Directors; and

WHEREAS, In April 2020, through approval of Resolution 20-49, the



Transportation Authority Board allocated \$11,906,558 in Prop K local transportation sales tax funds, with conditions, to the TJPA for DTX Phasing and Partial 15% Design; and

WHEREAS, The April 2020 allocation to TJPA was broken into two Notices to Proceed (NTPs), with the first NTP (NTP #1), valued at \$3,052,001, to be initiated immediately and the second NTP (NTP #2), valued at \$8,854,557, to be subject to later action by the Transportation Authority Board to release reserved funds; and

WHEREAS, In March 2021, through approval of Resolution 21-39, the Transportation Authority Board split NTP #2 into two sub-phases, released \$6,210,000 (NTP #2A) to the TJPA for accelerated development of DTX, and kept the remaining \$2,644,557 (NTP #2B) on reserve subject to later release by the Transportation Authority Board; and

WHEREAS, The Transportation Authority Board specified that future release of NTP #2B funds be conditioned on acceptance by the Transportation Authority Board of the DTX Phasing Strategy and DTX Interim Budget and Schedule, the identification of a new DTX Program Director, and demonstrated progress in meeting the requirements of the Federal Transit Administration (FTA) for securing funding commitments for the FTA-defined Project Development phase of work; and

WHEREAS, The Peninsula Rail Program MOU calls for the preparation of a "Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible"; and

WHEREAS, The IPMT completed the DTX Phasing Study, to evaluate DTX project elements that could be modified or deferred in the first phase of DTX construction; and

WHEREAS, In August 2021 the IPMT brought forward to the ESC the enclosed



Final Report of the DTX Phasing Study and made specific recommendations for phasing of DTX; and

WHEREAS, The ESC recommended to the TJPA Board of Directors the deferral of the DTX BART/Muni Pedestrian Connector, the deferral of the DTX Intercity Bus Facility, and the reduction of the extent of the DTX Train Box Extension; and

WHEREAS, On September 9, 2021, the TJPA Board unanimously approved the ESC's recommendations for phasing of DTX; and

WHEREAS, In April 2021 the TJPA Board approved an updated schedule for DTX, with this schedule reflecting a potential DTX completion date of as soon as 2031, subject to funding availability; and

WHEREAS, The TJPA has prepared an Interim Cost Estimate/Budget for DTX, with this estimate to be comprehensively updated through the upcoming preliminary design phase; and

WHEREAS, The TJPA conducted a search for a DTX Program Director and identified a qualified candidate for the position, with this individual assuming staff leadership of DTX on July 1, 2021; and

WHEREAS, The largest single source of planned funding for DTX is the FTA's New Starts program, and the FTA requires New Starts projects to proceed to through two successive phases of project development, beginning with the FTA Project Development phase, followed by the FTA Engineering phase; and

WHEREAS, DTX requires an additional \$30 million to complete the activities of the FTA Project Development phase and will require approximately \$20 million to undertake the FTA Engineering phase, with these two phases scheduled to occur over the course of Fiscal Years 2021/22 through 2023/24; and

WHEREAS, The TJPA plans to submit a request in October 2021 to FTA to



enter DTX into the FTA Project Development phase, and the TJPA must demonstrate to FTA the availability of sufficient funding to complete the activities of the FTA Project Development phase; and

WHEREAS, The FTA Project Development phase is planned to be funded by bond proceeds from the Transbay Community Facilities District, and the FTA Engineering phase is planned to be funded by a combination of grant funds and contributions from DTX partner agencies, including the Metropolitan Transportation Commission, the Peninsula Corridor Joint Powers Board, the California High-Speed Rail Authority, and the Transportation Authority; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2021/22 budget to cover the proposed actions; now therefore, be it

RESOLVED, That the Transportation Authority hereby accepts the DTX Phasing Study Final Report; and be it further

RESOLVED, That the Transportation Authority hereby supports the DTX phasing recommendations of the ESC; and be it further

RESOLVED, That the Transportation Authority hereby releases \$2,644,557 in previously allocated Prop K local transportation sales tax funds, with conditions, to the TJPA for DTX project development; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual cash reimbursement of funds for these activities to take place subject to the Fiscal Year Cash Flow Distribution Schedule approved through Resolution 21-39; and be it further

RESOLVED, That the Capital Expenditures line item for subsequent fiscal year annual budgets shall reflect the maximum reimbursement schedule amounts adopted and the Transportation Authority does not guarantee reimbursement levels



higher than those adopted; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the Executive Director shall impose such terms and conditions as are necessary for the project sponsor to comply with applicable law and adopted Transportation Authority policies and execute a Standard Grant Agreement to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsor shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

RESOLVED, That the Capital Improvement Program of the Congestion Management Program is hereby amended, as appropriate.

Enclosure:
Final Report of the DTX Phasing Study



**San Francisco
County Transportation
Authority**

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RESOLUTION NO. 22-07

The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 28th day of September 2021, by the following votes:

Ayes: Commissioners Chan, Haney, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani, Walton (10)

Nays: (0)

Absent: Commissioner Mandelman (1)

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Rafael Mandelman 10/5/2021
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Rafael Mandelman Date
Chair

ATTEST: DocuSigned by:
Tilly Chang 10/6/2021
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Tilly Chang Date
Executive Director