METRO Gold Line Bus Rapid Transit
St. Paul, Minnesota
New Starts Project Development
(Rating Assigned November 2019)

Summary Description	
Proposed Project:	Bus Rapid Transit 10.3 Miles, 16 Stations
Total Capital Cost ($YOE):	$460.90 Million (Includes $9.1 million in finance charges)
Section 5309 CIG Share ($YOE):	$207.41 Million (45.0%)
Annual Operating Cost (opening year 2024):	$9.36 Million
Current Year Ridership Forecast (2016):	5,500 Daily Linked Trips 1,700,400 Annual Linked Trips
Horizon Year Ridership Forecast (2040):	6,500 Daily Linked Trips 2,028,000 Annual Linked Trips
Overall Project Rating:	Medium-Low
Project Justification Rating:	Medium-Low
Local Financial Commitment Rating:	High

Project Description: Metro Transit proposes to construct the METRO Gold Line Bus Rapid Transit (BRT) project in a corridor along I-94 between downtown Saint Paul and Woodbury, serving the cities of Saint Paul, Maplewood, Landfall, Oakdale, and Woodbury. The line will operate in a dedicated guideway on nearly 70 percent of the route, primarily at-grade, with four new BRT-only bridges, two BRT underpasses of existing roadways, and two bridges with general purpose traffic and dedicated guideway providing grade-separated crossings over roadways. The Gold Line BRT project will include fare collection equipment and the purchase of twelve 60-foot diesel-electric hybrid vehicles. Service is planned to operate from 5:00 am to 12:00 am, with buses every 10 to 15 minutes during the day on weekdays and every 10 minutes during evenings. During weekends, service is planned to operate from 6:00 am to 11:00 pm with buses every 15 minutes.

Project Purpose: The Gold Line BRT will provide transit service to meet the existing and long-term regional mobility and local accessibility needs for businesses and the traveling public within the project area. The project intends to address, the limited existing transit service throughout the day and demand for more frequent service over a larger portion of the day, the shift toward travel choices and multimodal investments, population and employment growth estimates, increasing access needs and travel demand, the needs of people who depend on transit, and local and regional objectives for growth and prosperity.

Project Development History, Status and Next Steps: Metro Transit selected a locally preferred alternative in December 2016, and the project was adopted into the region's fiscally constrained, long-range transportation plan in April 2019. The project entered New Starts Project Development on January 19, 2019. Metro Transit expects to complete the environmental review process with receipt of a Finding of No Significant Impact in January 2020, enter Engineering in April 2020, receive a Full Funding Grant Agreement in February 2022, and open for revenue service in June 2024.

Locally Proposed Financial Plan		
Source of Funds	**Total Funds ($million)**	**Percent of Total**
Federal:		
Section 5309 New Starts	$207.41	45.0%
FHWA Flexible Funds (Surface Transportation Program)	$4.40	1.0%
State:		
State of Minnesota General Obligation Bond Proceeds	$1.86	0.4%
Local:		
Ramsey County Sales Tax and Ramsey County Regional Railroad Authority Property Tax	$120.71	26.2%
Washington County Sales Tax	$120.52	26.1%
Counties Transit Improvement Board Sales Tax	$6.00	1.3%
Total:	**$460.90**	**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.

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Factor	Rating	Comments
Local Financial Commitment Rating	**High**	
Non-Section 5309 CIG Share	**+1 level**	The CIG share of the Project is 45.0 percent.
Summary Financial Plan Rating	**Medium-High**	
Current Capital and Operating Condition (25% of local financial commitment rating)	High	• The average age of Metropolitan Council’s (Met Council) bus fleet is 5.9 years, which is younger than the industry average. • The most recent bond ratings for Met Council, issued in June 2019, are as follows: Moody’s Investors Service Aaa, and Standard & Poor’s Corporation AAA. • Met Council’s current ratio of assets to liabilities as reported in its most recent audited financial statement is 2.3 (FY2018). • There have been no major service cutbacks or cash flow shortfalls in recent years.
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	High	• Approximately 96.9 percent of the non-Section 5309 CIG capital funds are committed or budgeted, and the rest are considered planned. Sources of funds include FHWA Surface Transportation Program flexible funds; State of Minnesota general obligation bond proceeds; sales tax revenue from the Counties Transit Improvement Board; sales and use tax revenue from Ramsey County; property tax revenue from the Ramsey County Regional Rail Authority; and Washington County sales tax revenue. • Approximately 83.9 percent of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted, and the rest are considered planned. Sources of funds include FTA Section 5307 Urbanized Area Formula funds, State Motor Vehicle Sales Tax (MVST) receipts, State general fund revenues, MnDOT revenues, sales and use and motor vehicle excise tax revenues from Hennepin, Anoka, Dakota, Ramsey, and Washington counties, property tax revenues from the Sherburne County Regional Rail Authority, fare revenues, advertising income, and investment income.

Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Medium-Low	• Assumed growth in capital revenues is reasonable compared to recent historical experience. • The capital cost estimate is reasonable. • Regarding growth in operating revenue assumptions, farebox collections are optimistic, and MVST receipts are reasonable compared to recent historical experience. • Operating cost estimates are reasonable compared to recent historical experience. • Met Council has access to funds via additional debt capacity, cash reserves, or other committed funds to cover unexpected cost increases or funding shortfalls equal to 4.2 percent of the estimated CIG capital cost and 14.3 percent of annual system wide operating expenses.

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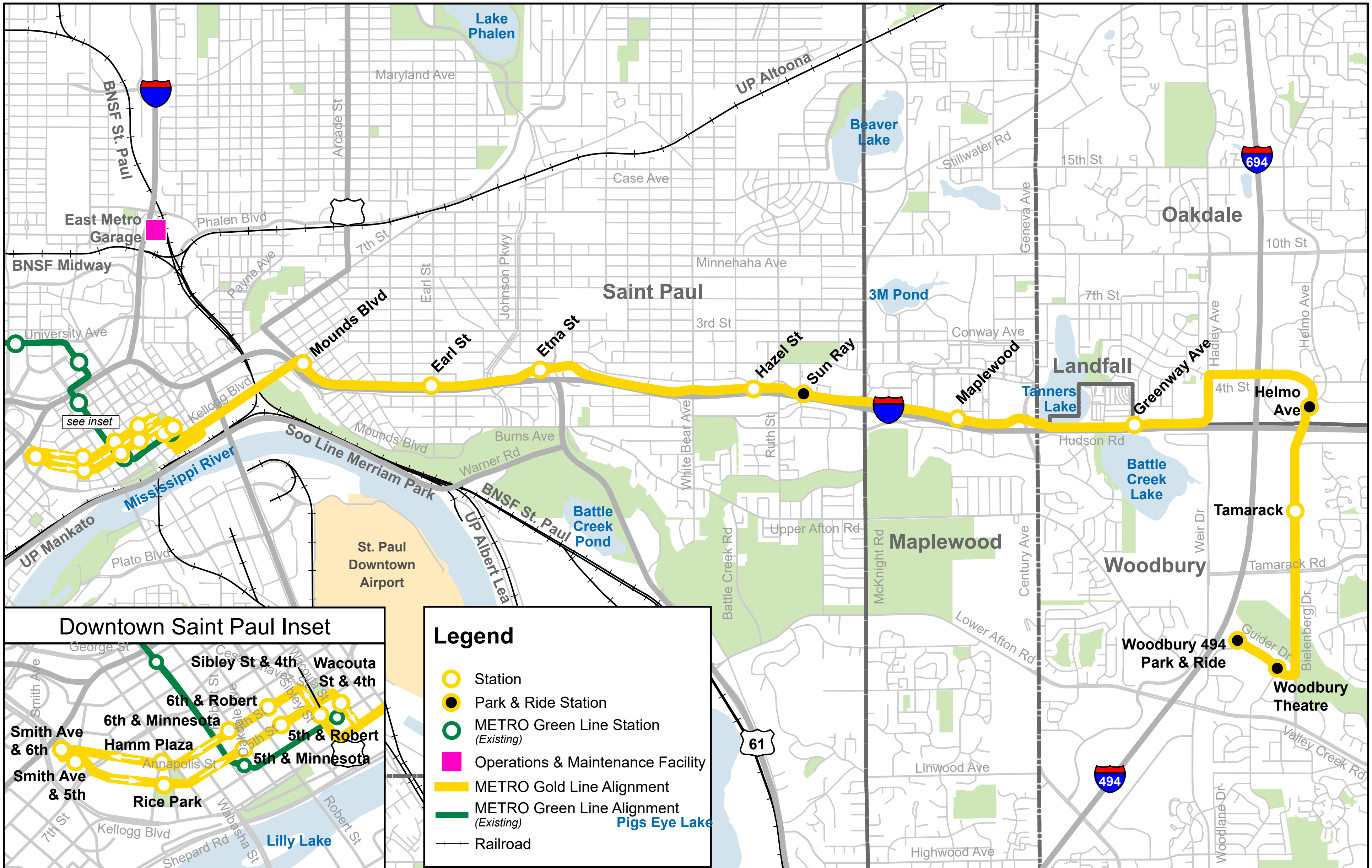
LAND USE RATING: Medium
The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding counties. • Average population density across all station areas is 4,500 persons per square mile, corresponding to a Medium-Low rating. An estimated 86,000 jobs would be served by the project, which corresponds to a Medium rating. In downtown St. Paul, daily parking fees average $17, which rates High. The proportion of LBAR housing in the project corridor compared to the proportion in the counties through which the project travels is 2.76, which rates High on FTA benchmarks. • Downtown St. Paul has a high-density mix of uses. East of downtown there is smaller-lot single-family, duplex, and low-rise mulit-family housing. In the suburban municipalities, land use is predominantly characterized by auto-oriented office, industrial, commercial and single-family residential uses. • Downtown St. Paul is highly walkable, and St. Paul station areas have a gridded street network. Suburban station areas generally lack sidewalks and facilities for pedestrians.
ECONOMIC DEVELOPMENT RATING: Medium
Transit-Supportive Plans and Policies: Medium-High
• *Growth Management:* The Metropolitan Council's regional development framework provides policy guidance for the region that municipalities will implement through updated comprehensive plans. The latest framework sets high expectations for development in transit corridors. • *Transit-Supportive Corridor Policies:* All of the communities along the Gold Line corridor have updated their comprehensive plans to align them with the Council's Regional Development Framework, including residential density targets in the Medium-High to High range on FTA benchmarks. Station area plans have been prepared for each station area along the corridor to identify development opportunities, potential zoning changes, and pedestrian connections. • *Supportive Zoning Regulations Near Transit Stations:* Zoning supports high densities in downtown Saint Paul. In neighborhoods east of downtown, the City has rezoned many of the parcels in the immediate station areas to increase density and apply transit-supportive design standards. One suburban jurisdiction has adopted transit-supportive zoning for its station area; in other locations, zoning still supports lower-density, single-use development. • *Tools to Implement Land Use Policies:* Regional agencies have been leading transit-supportive planning and outreach throughout the region, and working with Gold Line corridor communities to develop station area plans. Tax-increment financing has been used to fund redevelopment Downtown. Other potential finance tools specific to the corridor have been identified, but not yet implemented. Saint Paul has a full-time transit-oriented development (TOD) manager.
Performance and Impacts of Policies: Medium
• *Performance of Land Use Policies:* The region has seen significant success in generating investment and heightened density around existing light rail transit in the region. Two major residential, office and mixed-use projects were recently constructed in Gold Line Corridor station areas. • *Potential Impact of Transit Investment on Regional Land Use:* There is moderate capacity for new development in the Gold Line Corridor. The strongest market appears to be for residential development, especially moderate density (such as attached townhomes); market assessments have shown limited demand for retail and office use in most station areas.
Tools to Maintain or Increase Share of Affordable Housing: Medium
• Regional agencies and local communities have demonstrated a commitment to maintaining and producing affordable housing, and some local organizations run affordable housing funds and programs. Station area plans explicitly included affordable housing targets in all areas where housing

is a targeted use. Only one recent development project with an affordable housing component was identified.



METRO Gold Line Bus Rapid Transit

Ramsey and Washington Counties

Saint Paul, Minnesota