VTA’s BART Silicon Valley Phase II Extension

Alum Rock Community Working Group Orientation

May 13, 2015

Agenda

• Welcome and Introductions
• Introduction to CWG Process
• Overview of VTA’s BART Silicon Valley Program
  – Financial Update
  – Environmental Update
• Discussion
• Next Steps
Welcome

- Introductions
- Meeting format
  - Presentation on various topical areas
  - Round table discussion
  - No public comments

CWG Process

Eileen Goodwin, Facilitator
Role of the CWG

• Be project liaisons
• Receive briefings on technical areas
• Receive project updates
• Build an understanding of the project
• Collaborate with VTA
• Contribute to the successful delivery of the project

Your Role as a CWG Member

• Attend CWG meetings
  – Bring your own binder (BYOB)
• Be honest
• Provide feedback
• Get informed
• Disseminate accurate information
• Act as conduits for information to community at large
Role of the CWG Team

<table>
<thead>
<tr>
<th>CWG Team Member</th>
<th>Role</th>
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<tbody>
<tr>
<td>Eileen Goodwin</td>
<td>Facilitator</td>
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<tr>
<td>Kathleen Podrasky</td>
<td>Primary Outreach Contact</td>
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<td>Leyla Hedayat</td>
<td>Phase II Project Manager</td>
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<tr>
<td>Erica Roecks</td>
<td>Technical Lead</td>
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<tr>
<td>Michael Brilliot</td>
<td>City of San Jose – Planning Liaison</td>
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<td>Rosalynn Hughey</td>
<td>City of San Jose – Planning Liaison</td>
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<tr>
<td>Ray Salvano</td>
<td>City of San Jose – DOT Liaison</td>
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<td>Jessica Zenk</td>
<td>City of San Jose – DOT Liaison</td>
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CWG Meetings

- No alternates
- Commitment dates for 2015:
  - June 10, 2015 (4-6 PM)
  - August 12, 2015 (4-6 PM)
  - October 14, 2015 (4-6 PM)
CWG Proposed Work Plan

- Ridership/modeling
- Connectivity/land use
- City & VTA related projects in BART corridor
- Development and station areas
- Economic analysis update
- Financial gap analysis
- FTA process/New Starts Project Development
- Envision project update
- Construction methods
- Environmental process

Overview of Project

Leyla Hedayat,
Phase II Project Manager
VTA’s BART Silicon Valley Program

Ridership and Funding

<table>
<thead>
<tr>
<th>Phase I — Berryessa Extension</th>
<th>Phase II Extension</th>
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<tr>
<td>Opening Day Ridership</td>
<td>Year 2035 Ridership</td>
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<tr>
<td>Project Cost</td>
<td>$55,000</td>
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<tr>
<td>Local Funding</td>
<td>$2.3 billion</td>
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<td>State Funding</td>
<td>$1.179 billion</td>
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<tr>
<td>Federal Funding</td>
<td>$251 million</td>
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<tr>
<td></td>
<td>$900 million</td>
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<tr>
<td></td>
<td>$4.7 billion*</td>
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<td>$3.59 billion*</td>
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<tr>
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<td>$1.1 billion</td>
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*Costs above are in year-of-expenditure dollars and include a full maintenance facility at Newark. 

*Sources to be determined*
Phase I – Berryessa Extension

- 10-mile extension under construction
- Two Stations:
  - Milpitas, near the Great Mall
  - Berryessa, near the San Jose Flea Market
- Forecast opening date is Fall 2017
- $2.3 billion total project cost
- Anticipated daily ridership for Phase I: 24,000 opening day (doubles in 15 years)

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Phase I – Berryessa Extension

- Federal Funding Secured March 2012
- Groundbreaking April 2012
- Substantial Construction Complete 2016
- Start Systems and Pre-Revenue Operations Early 2017
- Forecast Opening Date Fall 2017
Phase I – Construction Milestones

View into Milpitas Station platform

Phase I – Construction Milestones

Trench at Hostetter Road with systems facility adjacent to alignment
Phase I – Construction Milestones

Berryessa Station canopy

Mechanically Stabilized Earth (MSE) wall construction south of Mabury Road In San Jose
Phase II Extension Project

- 6-mile extension
- 4 stations
  - Alum Rock (underground)
  - Downtown San Jose (underground)
  - Diridon (underground)
  - Santa Clara (at-grade)
- Maintenance facility in San Jose/Santa Clara
- Anticipated ridership of 55,000 in 2035 (based on 2012 model)

Phase II – Overview
Downtown San Jose Station – East Option

Diridon Station
Santa Clara Station

Phase II Project Activities
Phase II – Community Engagement

- Land use/ridership/connectivity workshop
- Finance/Measure A workshop
- Station walking tours
- Construction methods workshop

Phase II – Relevant Projects

- City staff updates on Specific Plans associated with BART station areas
- City projects within BART corridor
- VTA projects within BART corridor
- Station multi-modal access planning process
Funding Status

• Measure A funds constrained

• Additional funding needed to build Phase II

• VTA will pursue federal funding from the Federal Transit Administration’s (FTA) New Starts Program
  – New Starts rating for projects is based on two criteria:
    – Project Justification (50%)
    – Local Financial Commitment (50%)

Financial Update

Raj Srinath, Chief Financial Officer
&
Mike Smith, Fiscal Resources Manager
Phase II – Funding

• Successful mega projects focus on strategies that address both revenue generation and cost management.

2000 Measure A

• The Measure A tax was intended to deliver the 16 mile BART Extension.
  - So, why is Measure A not sufficient?

1976 Sales Tax Annual Revenue by Fiscal Year

- 1991 Recession
- 1992 Recession
- 2001 Recession
- 2008 Recession
- Measure A Approved
- Start Tax Collection
2000 Measure A Revenue Forecasts
(Cumulative)

Millions of Year-of-Receipt Dollars

2001: $14.3B
2005: $9.9B
2007: $8.7B
2014: $7.4B
2009: $6.6B

Ernst & Young
Select US Transportation Advisory and P3 Experience

Current/Recent EYIA Clients/Projects

Prior Team Member Experience
Ernst & Young

• A leading transportation infrastructure advisor
• 400 EY professionals across a global infrastructure network
• 700+ EY projects since 1996 (250+ reached financial close)
• $20 billion of new and potential US transportation projects
• Focus on alternative delivery strategy, finance and policy
  – Pioneered hybrids of PPPs and innovative finance methods
  – 8 Federal TIFIA loans closed (4 in last 18 months)
• VTA’s team can seamlessly leverage other skillsets
  – Real estate market valuations and development
  – Construction management, oversight and controls
  – Transactional tax and accounting services specialized in PPP-related issues
  – Economic Impact Analysis
• EY provides US infrastructure advisory services through its affiliate Ernst & Young Infrastructure Advisors, LLC (EYIA)

Scope of Services

Ernst & Young Infrastructure Advisors, LLC will identify, research, analyze and implement a range of financial and cost management alternatives and strategies to fund Phase II

• Identify new funding sources
  - Federal grants
  - State grants
  - Local funding

• Identify ways to increase borrowing capacity
  - Federal and state infrastructure loan programs
  - Use of interim and short-term borrowing
Examples of Funding Splits

Various Large Transit Capital Investment Program Projects

- RTD Eagle P3
- MTA Second Avenue Subway
- Houston N./S.E. Corridor LRT
- WMATA-Dulles Corridor
- Minneapolis LRT
- Aggregate of 5 Projects

• Breakdown by Funding Source for Comparable Transportation Projects

Source: U.S. Department of Transportation; Federal Transit Administration

Environmental Update

Tom Fitzwater,
Environmental Program Manager
Environmental Process

• 2004 – State clearance (CEQA) on Final Environmental Impact Report (EIR): 16-miles

• 2007 – CEQA clearance on Final Supplemental EIR (SEIR): 16-miles

• 2010 – Federal clearance (NEPA) on Final Environmental Impact Statement (EIS): 10-miles

• 2011 – CEQA clearance on 2nd SEIR: 10-miles

• 2015 – Joint CEQA and NEPA document (SEIS/SEIR3): 6-miles

Phase II – Environmental Process

State (CEQA) and Federal (NEPA) Environmental Process Timeline
Phase II – Environmental Activities

• Scoping period ended on March 2, 2015 (92 comments were received)

• Scoping Report documents and consolidates comments received on the project scope, alternatives to be considered, and environmental issues to be addressed

• Consideration of comments received
  • Topics/concepts that have already been analyzed
  • Topics/concepts that are not feasible and/or outside of scope of environmental process
  • New topics/concepts that are feasible and warrant analysis

• Currently conducting technical analysis for development of draft document

Discussion

Eileen Goodwin, Facilitator
Discussion

What else would you like to learn about?

Next Steps

- Next meeting: Wednesday, June 10, 2015 ~ 4:00-6:00 PM,
  Mexican Heritage Plaza ~ BYOB
- Action Items