

To the Mayor and Members of the City Council

October 12, 2021

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SUBJECT: TEXRAIL NEAR SOUTHSIDE COMMUTER RAIL EXTENSION PROJECT, FUNDING COMMITMENT AND ACCOUNTABILITY MEASURES

On July 12, 2021, the North Central Texas Council of Governments (NCTCOG) submitted a Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant application to the United States Department of Transportation (USDOT) seeking \$25 million for Trinity Metro's TEXRail Extension project. This project will extend the existing commuter rail service 2.1 miles from Fort Worth Texas & Pacific (T&P) Station in downtown Fort Worth south to a new station located at Mistletoe Boulevard, behind Baylor Scott & White (BSW) All Saints Medical Center. The project is a necessary step to eventually extend the route to Chisolm Trail Parkway at Summer Creek as identified in the adopted Mobility 2045 Long-Range Plan.

City staff recommends that Council provides \$2.5 million in local match for the RAISE grant. The proposed funding profile for this project with the RAISE Grant is shown in the table below:

Federal Source		Local Source				Total Needed to Complete	Federal Share (%)	Local Share (%)
		Trinity Metro	Fort Worth	Baylor Scott & White	Local Match			
FTA (rollover)	\$38.9M	TBD	TBD	-	TBD	\$38.9M	TBD	TBD
NCTCOG (CMAQ)	\$20.0M	-	-	-	Regional TDCs*	\$20.0M	100%	-
RAISE Grant	\$25.0M	\$2.5M	\$2.5M	\$1.56M	\$6.56M	\$31.56M	79.2%	20.8%
Unidentified Funds	TBD	TBD	TBD	-	TBD	\$37.04M	TBD	TBD
Totals	\$83.9M	\$2.5M	\$2.5M	\$1.56M	TBD	\$127.5M	TBD	TBD

*TDCs - Transportation Development Credits

Trinity Metro has estimated the costs for the TEXRail Extension project to be \$127.5 million. The project is an eligible activity under the Federal Transit Authority (FTA) funding programs and has been approved to use leftover funding from the construction of the first phase to DFW Airport which was completed under-budget. The exact local match requirement amount for the FTA rollover funds is still being determined. The other federal dollars listed (including the RAISE Grant) require an 80/20 match. Local funds of \$5 million - \$2.5 million each from the City and Trinity Metro, will be used for the RAISE Grant local cash match requirement. Baylor Scott & White (BSW) is providing a land donation for the Mistletoe Station valued at \$1.56 million as an in-kind contribution toward the local match requirements for the RAISE Grant. A land donation agreement has not been yet been executed between Trinity Metro and BSW, but is expected soon. Any potential future City cost-share amount, if needed, will be determined and brought to Council at a later date.

As part of the grant application, the project has been estimated to provide over \$95.8 million in environmental, quality of life, and safety benefits over an initial 20-year period. A benefit cost analysis (developed by NCTCOG) of 0.90 was calculated, which signifies a near-even return on investment. Therefore, staff recommends that the City move forward as a funding partner due to the catalytic nature of the project and leveraging opportunities for the City of Fort Worth. This project serves a major employment

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center and is already garnering private sector investment via an ongoing Transit Oriented Development planning process at the Mistletoe Station. The project has been leveraged to replace a 100 year old railroad bridge serving freight railroad tracks. In addition, dedicated tracks will be installed to separate the commuter rail service from freight service so not to negatively impact the movement of goods through the corridor. Although, lower than originally expected, partly due to the COVID-19, Trinity Metro projects annual ridership along the corridor pandemic, based on the most up to date information, to increase from 305,000 in 2021 to 781,800 in 2045 with this project.

Year	Original Annual Ridership Projections*	Current Annual Ridership Projections**
2021	894,500	305,000
2045	1,650,200	781,800

Source: NCTCOG*

Source: Trinity Metro**

A resolution supporting the RAISE Grant application and committing to participating in the amount of \$2.5 million is expected to be presented for adoption on October 19, 2021.

Accountability Measures:

An Inter-local Agreement (ILA) between the City of Fort Worth and Trinity Metro will be prepared for Council authorization in order to transfer the City's matching funds for the project. The City will move forward with the ILA after the project receives environmental clearance (expected in December) from USDOT and concurrence from Fort Worth Western Railroad (Union Pacific has already executed an agreement). The terms of the ILA will include:

1. Trinity Metro to partner with the City and other stakeholders to develop a "First/Last-Mile Plan" from the Mistletoe (planned) and T&P (existing) stations to major employers in the area. This will include recommendations for pedestrian connectivity, safety, and comfort to the key destinations in the area, as well as strategies for transit or shuttles to provide a seamless connection for TEXRail users to their final destinations.
2. Partnerships with major employers to incentivize and encourage employees to ride the train (e.g. free or discounted transit passes, reduced parking requirements, etc.)
3. Partner with the City to develop transit oriented development regulating plans for stations along the future southern extension to Chisolm Trail Parkway to ensure city policies are in place for supportive development in station areas. These studies will determine potential taxable revenue to the City and ridership increases by creating a new market of users living and working in these station areas.



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4. Build, operate, and maintain the TEX Rail system with minimal dependence on the City for financial support for costs of operating, maintaining, or future capital repairs, additions, or replacements of the system or its components.
5. Provide monthly reports outlining progress on key performance measures including pre-construction development and related activities, construction progress, initial passenger operations, fare operations, on-time performance (Trinity Metro's goal is 97%), budgeted/actual revenues and expenses, customer comments, ridership and related data, and other relevant information as requested or required.

Please contact Kelly Porter, Assistant Director, Regional Transportation and Innovation Division at kelly.porter@fortworthtexas.gov or (817) 392-7259 for additional information.

David Cooke
City Manager