

## COUNCIL ACTION FORM

### **SUBJECT: TIGER GRANT APPLICATION AND POTENTIAL FINANCIAL COMMITMENT**

#### **BACKGROUND:**

The U.S. Department of Transportation (USDOT) recently released a notice of funding availability for its 2012 TIGER program, requesting funding applications for eligible projects. Grant applications are due no later than March 22, 2012.

The Ames Intermodal Facility received partial funding in the first round of TIGER applications in 2010. As a result of the lower funding amount, the project was divided into two phases with the 2010 grant funding its first phase. Included in this initial phase were the following to be completed in June 2012:

- 385 parking spaces for short and long-term parking
- Bike path connections to the community with shower and bike locker facilities
- Connections with intercity bus carriers—Jefferson/Burlington Trailways
- Connections to CyRide one block from the facility at Chamberlain St. and Welch Ave.
- 20 parking spaces for qualified car and vanpool parking
- Taxi stand for transportation within the community
- Public restrooms for the Campustown Business District

The project originally included several additional elements to complete the needs and vision for a transportation hub within the community. These missing elements are included in the second phase design and include:

- 248 additional parking spaces for short and long-term parking, including 20 additional vanpool/carpool spaces (total of 633 spaces in Phase I and II)
- Extension of the bike path in Phase I on the Intermodal site through the ISU Arboretum to State Street connecting to an existing trailhead
- CyRide shuttle from the facility through campus connecting with transfer points on campus for locations throughout the community
- 12 additional bike lockers
- Pedestrian corridor along Sheldon Ave. from Knapp to Lincoln Way, connecting the Cyclone Sports Complex with parking at the facility and with the new State Gym Expansion.
- Reconstruction of Hayward Ave. from Chamberlain St. to Lincoln Way, to accommodate additional car and bus traffic to/from the facility.

The proposed budget for construction of this second phase of the project is as follows:

Project Element	TIGER Project Funding		
	FEDERAL	LOCAL	TOTAL
Site Acquisition –	\$0	\$2,000,000	\$ 2,000,000
Site Preparation	\$180,000	\$0	\$180,000
Parking Structure	\$5,440,000	\$0	\$5,440,000
Intercity Office/Waiting Area	0	0	0
Bus Road, 2 Bus Bays, Canopy	\$365,000	\$0	\$365,000
Bike Lockers/ Amenities	\$33,000	\$0	\$33,000
Bike/Pedestrian Path	\$386,000	\$0	\$386,000
Public Restrooms	\$0	\$0	\$0
Roadways Imp. - Signals	\$180,000	\$0	\$180,000
Roadways Imp. -Streets	\$1,420,000	\$44,250	\$1,464,250
Rolling Stock (1 Hybrid Buses)	\$498,000	\$102,000	\$600,000
CyRide AVL/NextStop	\$18,000	\$305,000	\$323,000
Equipment	\$25,000	\$0	\$25,000
Design/Project Management	\$1,135,000	\$0	\$1,135,000
Grant Admin. (CyRide)	\$0	\$50,000	\$50,000
Creek Landscape	\$210,000	\$0	\$210,000
Pedestrian Access (west side)	\$115,000	\$0	\$115,000
<b>TOTAL</b>	<b>\$10,005,000</b>	<b>\$2,501,250</b>	<b>\$12,506,250</b>
	80.00%	20.00%	100.000%

This new notice of grant funding indicates that decisions will be made on applications in July 2012 - approximately one month past when the first phase of the facility will be completed. Therefore, **the surface parking lot constructed in Phase I, with approximately 90 parking spaces, will need to be removed to make way for the additional parking structure as part of the second phase. It is the Federal Transit Administration's (FTA) policy to request repayment of federal interest when a capital project is demolished before the end of its useful life. As the facility will recently be completed, it is anticipated that the FTA will request 100% of the cost of the surface parking lot. The Project Architect has estimated the construction cost of this lot at \$275,000.**

In discussions at the Transit Board of Trustees' meeting on February 16, 2012, both Iowa State University and City officials discussed the need to enter into further discussions regarding this additional cost to determine if a new application should be submitted. Both entities indicated a possibility of sharing this additional project cost at \$137,500 each (50%), if a grant was approved in this newest funding round. It is anticipated that the repayment of these funds could occur in the 2013-2014 budget year.

Since this meeting, CyRide and the City received an email from the Vice President of Business and Finance for the university indicating that they would be interested in submitting another TIGER application and funding 50% of possible repayment costs to FTA, if a grant was approved.

**A decision regarding the Council's desire to fund possible future repayment expenses and submission of the grant application will need to be made at the March 6, 2012 Council meeting in order to proceed with the grant application by March 22, 2012.**

**ALTERNATIVES:**

1. Authorize CyRide staff to prepare and submit a 2012 TIGER grant application for Phase II of the Intermodal Facility with the understanding that, if approved and required, the City will be responsible for 50% of the cost to repay the federal interest for portions of the Phase I project that must be removed up to a maximum of \$137,500.
2. Do not submit a 2012 TIGER grant application for the Intermodal Facility.

**MANAGER'S RECOMMENDED ACTION:**

In subsequent TIGER funding rounds, CyRide's application for Phase II of the Intermodal Facility project has come close to being funded, but ultimately fell short of a grant award. With the Phase I project completed in June 2012, it is believed that this accomplishment, as one of the first TIGER projects to be completed, will assist the second phase project in being considered for funding.

The City Council must determine whether the possibility to add a net additional 248 parking spaces at the intermodal site that would benefit the Campustown business district is worth the estimated cost of \$137,500 to reimburse the FTA for work already completed in Phase 1. Given the fact that structured parking typically costs \$25,000 per space, the financial liability of \$137,500 or \$554 per additional space appears to be a wise investment, assuming the Council believes additional parking is needed in the area.

One of the goals of the Council is enhance relationships by partnering with ISU to help revitalize Campustown. The attached email from Warren Madden indicates that the University believes this type of investment is worthwhile and has committed to pay half of the financial obligation should FTA require reimbursement for work performed on Phase I of the Tiger Grant. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby authorizing the submittal of a new TIGER grant application with the understanding that, if awarded these additional TIGER funds, there is the possibility of a required repayment to the FTA. The funding for this obligation could come from the Local Option Sales Tax Fund balance if required in 2013-14.

**To:** Steve Schainker; Madden, Warren R [VPBUS]

**Cc:** Sheri Kyras; Stewart, Jerry D [P SAF]; Hankins, Judy A [VPBUS]; Michel, Mishelle [P SAF]; Gagne, Melissa J [P SAF]; Piscitello, Joan K [TREAS]; Dye, Brad A [TREAS]

**Subject:** intermodal update

Steve and Warren, as we continue finalize plans I thought it would be a good time to update you on where we are. Sheri has indicated she does not think the Executive Express will be leasing space in the facility. We recommend a no refund policy and permits would be available on line around the end of April and would be available to anyone. Permits would be valid from August 1 – July 31 each year. In the event we do not sell out we would do monthly permits at a higher price. Basically it would be like leasing an apartment. If you leave in the summer you still pay or find someone to sell your permit to. This will cause a lot less issues in trying to refund onto a credit card months after the original purchase. It will also be better in tracking the budget. As we need to start working on a brochure I would like to get approval for pricing. I have attached an updated pro forma with rates. Please let me know if questions or comments. I will wait for your approval. The uncovered annual price would be \$180 ( \$15 month) and covered would be \$480 ( \$40 month) If we have spaces left I would propose a monthly \$20 for uncovered and \$50 for covered parking. In the event Executive Express does commit it would assist in the budget by \$13,200. I would also recommend that we look at some free parking at the very beginning to help people get used to the facility.

Mark Miller

ISU Parking Director

[memiller@iastate.edu](mailto:memiller@iastate.edu)

515-294-1987