

LRT Line 6 Project

Background

The population of Metro Manila and its surrounding communities is growing faster than the remainder of the country – the process of urbanization is occurring here as in most of the developing world. The government recognizes the importance of expanding the rail transit network to serve this growth. Extension to areas outside Metro Manila will serve to decongest the central city while allowing residents to have reasonable transit alternatives even if they are not in Metro Manila. Rail transit is seen as a more attractive alternative than road for environmental reasons as well.

Project Description

The LRT Line 6 Project (the “LRT Line 6”) is a proposed 19.0 km commuter rail line extending southward from Niyog, Bacoor (terminus of the LRT 1 CAVEX extension) to Dasmariñas City. The LRT Line 6 will serve 45% of the Cavite population.

The proposed ROW alignment is along the Aguinaldo Highway with 7 stations south of Niyog, namely:

- (i) Niyog (Transfer Station),
- (ii) Tirona ,
- (iii) Imus,
- (iv) Daang Hari,
- (v) Salitran,
- (vi) Congressional Avenue, and
- (vii) Governor’s Drive.

There is a further potential station at Patindig Araw.

The proposed ROW alignment will pass through three (3) municipalities/cities, including (i) Bacoor, (ii) Imus and (3) Dasmariñas. The catchment area, will include 225 barangays. The market for rail services is seen to cover Cavite up to Batangas area to N



The objectives of LRT Line 6 project, are to:

- (i) enhance Metro Manila and Cavite regions’ competitiveness and
- (ii) spur economic development along the extension corridor.

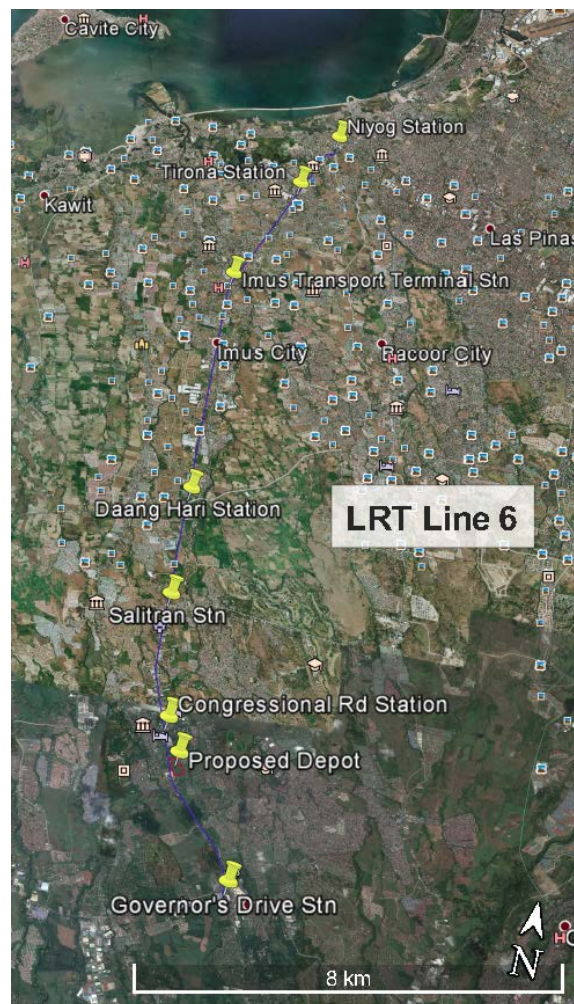
The population of Metro manila and its surrounding communities is growing faster than the remainder of the country. The process of urbanization is occurring with significant impact on basic services and transport infrastructure investment for accessibility to places and centers by the populace. The government recognizes the importance of expanding the rail transit network to serve this growth. Extension to areas outside Metro

Manila will serve to decongest the central city while allowing residents to have reasonable transit alternatives even if they are not in Metro Manila.

Currently, Cavite is experiencing rapid growth of its residential areas, and many of those residents travel to Manila to work in various locations and companies. The trip can take 1.5 hours by bus. In addition, there are several educational facilities (several colleges and universities) in Dasmariñas City. The LRT Line 6 will reduce travel time to these destinations, thus, increasing mobility and economic competitiveness for area residents.

Overall, the introduction of mass transit services to the Aguinaldo corridor will have significant economic benefits, including travel time savings, accident reduction and environmental benefits.

Station	Distance to Next Stn (km)	Cumulative Distance (km)
Niyog	1.7	-
Tirona	2.8	1.7
Imus Transport Terminal	5.7	4.5
Daang Hari	2.3	10.2
Salitran	2.7	12.5
Congressional Road	3.8	15.2
Governor's Drive	-	19.0



Patronage Demand

The population of Cavite Province has grown from 2.1 million in 2000 to 3.1 million in 2010 - this rate of growth is about 2.5 times that of the rest of the country. Population growth projections for the area are roughly double the national average.

Job growth is positive in and around Manila, especially in service related jobs. These factors indicate that new settlement in the area will continue as well as the area grows as a “bedroom community” for Metro Manila. The demand for quick, efficient, safe and reliable public transport connecting the Aguinaldo-Molino corridor is likely to grow.

The area is among the last in the Manila region that combine reasonable commute times to metro Manila with relatively low land costs. As one travels south, the density of storefronts along Aguinaldo Highway yields to agricultural and industrial uses past Imus. Molino Boulevard, (several kilometers to the east of Aguinaldo Highway) has recently been paved and new mixed use subdivided land is evident between the two arteries.

Concession Structure

The private sector partner shall be responsible for:

- Construction of the railway from Niyog to Dasmariñas City (given that as much as possible of the alignment will use existing Rights-of-Way and space is very limited, viaducts will be used for much of the length).
- Procurement of rolling stock to facilitate operations. Rolling stock is expected to be standard gauge EMUs using overhead catenary traction power.
- Operations and maintenance of the system (which may include both fixed infrastructure and rolling stock).
- Collection of passenger revenues and generation of other commercial revenues that can be derived from train operations and development of stations.

Although LRT Line 6 will originate at Niyog, the terminus of the LRT1 CAVEX system, it is expected that the two lines will not share tracks and that a separate station will be built at Niyog to serve as the northern terminus of LRT Line 6.

Transaction Details

The transaction is structured based on the following parameters:

- A 30-year concession period (5 years design/construction and 25 years of operation).
- The Concessionaire will design and construct the entire system. Ownership will gradually be transferred to the Government during the construction period. Sculpted payments for infrastructure during construction will reduce the financing requirements of the Concessionaire.
- The Concessionaire will receive availability payments for the first 15 years of the operations/maintenance (O&M) period. The Concessionaire will also receive farebox and other project revenues (advertisement revenue, rental income of station commercial space).
- The bid parameter will be based on lowest total nominal payments from Government (sculpted payments during construction and availability payments during operations)
- While there is no explicit provision for real estate or commercial development as part of the project, bidders could consider addition of this to lower their total bid price.

Indicative Timeline

Milestone	Target Dates
NEDA Board Approval	September 2015
Publish	November 2015
Notice of Award	June 2016
Construction Start Date	December 2016
Construction Completion	December 2021
Start of Operations	December 2021

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