



Government Relations & Public Affairs Committee

March 6, 2013

Fiscal Year 2012/13 Overall Work Program Amendment #4

Issue: Consider Amendment #4 to the Overall Work Program (OWP) for Fiscal Year 2012/13.

Recommendation: That the Government Relations & Public Affairs Committee recommend that the Board approve Amendment #4 to the Overall Work Program (OWP) for Fiscal Year 2012/13.

Discussion: The Board of Directors adopted the Fiscal Year 2012/13OWP in May 2012. Administrative amendments to the OWP are typical throughout every year to modify OWP projects, to add revenue to the OWP, to change project descriptions, or to adjust staff and expenditures between OWP projects. The purpose of this amendment is to change the project description and end products for the Downtown/Riverfront Transit Project (#13-009-05), the streetcar project, in order to keep it consistent with the latest contract amendment for the consultant team completing major portions of the work. There is no change in the overall project budget.

Attachment A is the new project description for the Downtown/Riverfront Transit Project (#13-009-05).

Approved by:

Mike McKeever
Chief Executive Officer

MM:MC:ef
Attachment

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1300102

OWP Amendment #3 Support Information
Changed Project Description for One Project

DOWNTOWN/RIVERFRONT TRANSIT PROJECT
 (Federal Requirement)

Project #13-009-05

This analysis is being conducted through a cooperative effort among the cities of Sacramento and West Sacramento as well as the Sacramento Regional Transit District (RT) and Yolo County Transportation District (YCTD). The work will conform with the Federal Transit Administration Small Starts guidelines in considering the public transportation needs within the corridor, defining and evaluating alternatives, selecting a locally preferred alternative, and conducting environmental review under NEPA and CEQA. The project will build on work previously conducted, offering both cost and time savings.

The purpose of this study is to develop the materials necessary to support the initiation of environmental studies and submittal of an FTA Small Starts grant application. The project management plan is intended as a guide for activities for the Downtown-Riverfront Transit Study.

The first step in the process is the completion of an Alternatives Analysis (AA) in compliance with FTA New Starts/Small Starts Guidance and selection of a Locally Preferred Alternative (LPA) for the Downtown/Riverfront transit connection. This work will be performed by a combination of consultants and the staffs of the cities of Sacramento and West Sacramento, the Sacramento Regional Transit District, and the Yolo County Transportation District.

Task 1- Purpose and Need Statement

The participating sponsor agencies have conducted extensive planning efforts to identify a preferred alternative, including the development of project goals and Purpose & Need statements. This task will involve refining and updating the Purpose & Need statement from the two previous planning efforts. A project need is the transportation deficiency or problem that is identified, and a project purpose is the set of objectives that will be met to address the transportation deficiency or problem. Because the Purpose and Need Statement will be used as a key element of project review under the National Environmental Policy Act (NEPA), federal guidelines will be followed in developing the statement.

End Products:

1A – Draft and Final Purpose and Need Statement (December 2012)

Task 2 – Locally Preferred Alternative (LPA) Narrative

Consultant will meet with SACOG and the participating sponsor agencies to refine the preferred alternative identified in previous planning efforts and prepare both a narrative and graphic describing the LPA. This will be accomplished through a series of individual meetings with participating sponsor agency staff, with the Project Management Team (PMT), and the Project Steering Committee (PSC).

The following issues will be addressed and resolved through this process.

- 1) Identify preferred alignment for Tower Bridge to Intermodal Terminal segment
- 2) Identify preferred and secondary routes through the Intermodal Terminal area (3 options)
- 3) Review and refine streetcar stop locations

- 4) Assess maintenance facility location options
- 5) Develop conceptual alignment for eastbound streetcar track on K Street from 7th to 8th Streets
- 6) Refine stop locations on K Street as needed based on recent Cars on K Street reconstruction
- 7) Determine whether the Intermodal Terminal to Raley Field segment of the streetcar line should be designed for LRT service
- 8) Determine whether LRT will be shifted from K Street to H Street as a near-term improvement

To assess maintenance facility options (item d), Consultant will meet with agency staff to identify alternative locations within close proximity of the streetcar line or nearby light rail lines in the Sacramento Central City. The maintenance facility assessment will include an exploration of using the existing RT Academy Way facility and potential new sites in or near the study area. A comparison of the conceptual costs of a stand-alone facility and use of the existing RT facility, including the cost of non-revenue hours required to travel between the RT facility and the study area, will be prepared.

End Products:

2A – Draft and Final LPA Narrative (December 2012)

2B – Draft and Final LPA Map (December 2012)

Task 3 – Economic Development Evaluation

Consultant will describe financial, regulatory, or other tools and incentives that are available locally to promote transit-supportive development in station areas (e.g., tax breaks, low-interest loans, reduced impact fees, expedited development review, assistance with land assembly, infrastructure finance, joint development programs). This will include an explanation of the tools and incentives that have been applied in practice.

Consultant will estimate a range of economic benefits that could be generated by the streetcar including development impacts, property value / property tax impacts, and retail sales.

To estimate the development impacts of the Streetcar, Consultant will:

- Evaluate past growth and development in the study area that will be served by the streetcar (most likely defined as a quarter mile radius of the proposed route) and estimate the amount of development that has occurred in square feet, by land use type, over the previous five to ten years. SE will also collect qualitative information about densities and building types of past development in different locations along the proposed streetcar route.
- Evaluate total build-out potential for the study area, including identification of properties that are “underutilized” and likely to (re)develop in the near- to mid-term. Based on this analysis and FAR assumptions, SE will calculate total development potential in square feet or dwelling units.
- Evaluate planned development and potential impacts. SE will profile currently entitled projects in the study area and factors influencing new development under 1) a “baseline” scenario (no streetcar) and 2) a streetcar scenario. This evaluation will incorporate the results of discussions with City staff, interviews with key local property owners, developers,

and other local experts. SE will also profile the results of previous studies of the development impacts of new streetcar systems.

- Estimate development impacts. SE will project development that is likely to occur with and without the streetcar (the “baseline” and “streetcar” scenarios) based on the analysis above. This information will be used to calculate the development impact that can be attributed to the streetcar project and will inform the estimate of economic benefits below.

To estimate economic benefits, Consultant will:

- Estimate the value of the incremental new development resulting from the streetcar as projected above.
- Estimate the boost to existing property values resulting from the streetcar. This analysis will incorporate case study research based on other cities that have introduced streetcar to estimate the potential boost to property values related to existing development.
- Estimate the resulting property tax impacts on both cities’ general funds. Based on the above two analyses, the team will estimate the total additional property tax to the city. This will provide the inputs for evaluation of potential property-based streetcar funding strategies.
- Estimate impacts on retail sales. Based on an analysis of retail sales using local data and the results of case study research, the team will evaluate a range of potential impacts on retail sales, based on the estimate of incremental development impacts. To the extent possible, Strategic Economics will estimate additional sales tax impacts resulting from improved connectivity and increased attractiveness of the area.
- Estimate the resulting sales tax impacts on both cities’ general funds.

The evaluation will review parking requirements for the two cities and determine whether reduced parking rates are allowed for new developments, in either the current zoning code or a planned amendment, that are located within the catchment area of the planned transit project. We understand that the City of Sacramento Zoning Code Parking Update is ongoing, and will coordinate with the project team. We will also meet with City of West Sacramento staff to obtain similar data. The purpose is to identify the reduced parking facility costs that would be experienced by new development projects in the study area.

Consultant will summarize the above analyses in a concise, readable and engaging report. This will include recommended changes in the development process or standards that would facilitate development.

End Products:

3A – Draft and Final Economic Development Report (February 2013)

Task 4 – Finance Plan

The purpose of the Finance Plan is to identify a combination of local funding sources that can fund the local share of project costs. Preliminary estimates of the costs for a fixed guideway urban circulator project in the study area are approximately \$125-135 million for capital costs and \$4 million for annual O&M costs. For the capital element of the plan, 50 percent of the total costs will need to be funded by local sources with the remainder planned from the federal Small Starts Program.

Streetcar projects in the US have used a variety of local funding techniques.

- City general obligation bonds
- General fund contributions
- Transit agency funding
- Local taxes (sales, hotel/tourist, gas, payroll, local transit, rental car)
- Surcharges (parking, commercial admissions, auto registration)
- Business Improvement Districts or Special Assessment Districts
- Parking revenues (meters, garages)
- Tax Increment Financing
- Fares
- Advertising, Sponsorships
- Developer Fees
- Surplus Land Sales
- Joint Development
- Contributions by hospitals/universities
- Street and utility revenues

The City of West Sacramento has an existing sales tax measure and developer contributions that are designated for the transit project. Recent discussions with City of Sacramento businesses have indicated a willingness to consider an assessment district for the project. The City of Sacramento has just conducted a study regarding the use of revenues from off-street parking facilities for a downtown arena; the results of this study will be reviewed and discussed with City staff. Considerations of tax increment financing are complicated by the recent elimination of redevelopment programs in California. Several bills are pending in the state legislature that could provide new tax increment tools for urban transit projects. The Sacramento Regional Transit District (RT) is considering placing a new sales tax measure on the ballot to fund new transit service. Consultant will review these recent events and consider their impact on the potential use of these funding sources. The development of finance strategies will include consideration of the distribution of financial burden both between the sponsoring agencies and between the government and private sectors.

The development of financing strategies will consider the extent to which a new urban circulator project can encourage new development and result in an increase in existing commercial activity levels by improving accessibility between key activity centers and commercial/residential districts. The data generated by previous planning efforts and the economic development assessment in Task 2 will be incorporated into the Finance Plan to identify the relationship between investment and economic development outcomes. This information will be used to inform property owners of the costs and benefits of investing in an urban circulator project.

Using the impacts estimated above, the consultant team will estimate a range of additional property taxes, county level sales taxes, and assessments that could be generated. Consultant will develop up to two alternative financing strategies to be reviewed with the PMT and PSC.

End Products:

4A – Memorandum 1 – Assessment of Candidate Funding Sources (October 2012)

4B – Draft and Final Finance Plan (March 2013)

Task 5 – Governance Plan

Consultant will prepare a memorandum that identifies alternative governance structures for the urban circulator project. The working paper will consider alternative administrative and management structures needed to address project development, construction and procurement, and ongoing operations and maintenance. Potential organizational alternatives that will be addressed include but will not be limited to the following.

- Joint Exercise of Powers Authority (JPA) that creates a new authority
- Membership or Agreement with one of the participating agencies
- Not-for-profit Corporation
- Expand Sacramento Regional Transit (RT) District

The assessment of alternative organizational structures will consider such factors as the level of effort required to implement the governance structure, the amount of managerial overhead, the extent to which staff at the sponsoring agencies can be engaged, control over project design and service levels, ownership of facilities and equipment, mechanisms for financial contributions, project oversight, and incremental costs of liability insurance.

End Products:

5A – Memorandum 2 – Description of Governance Options (October 2012)

Task 6 – Public Involvement

Active public involvement is a critical element of defining a transit project that reflects community values and proactively identifies and addresses barriers to implementation. Consultant will accomplish the following Phase 1 outreach tasks based on direction from the PMT.

Business Advisory Committee (BAC)

The BAC will include business, commercial property owners, and development representatives. Consultant will work closely with the four participating agencies to ensure a comprehensive BAC list. In addition to obtaining input on the Need and Purpose statement, the BAC will include discussion on financial strategies, economic development opportunities, and implementation issues. The budget is based on conducting one kick-off BAC meeting.

BAC representatives may include, but not limited to, the following entities: River District, Township 9, Railyards, Raley's Landing, Washington District, The Bridge District, The Docks, State of California GSA, Capitol Area Development Authority, Capitol Area R Street Association, Sacramento Housing and Redevelopment Agency, Downtown Sacramento Partnership, Midtown Business Association, Old Sacramento Business Association, Sacramento Metro Chamber of Commerce, West Sacramento Chamber of Commerce, Sacramento Asian Pacific Chamber, Sacramento Hispanic Chamber of Commerce, Sacramento Black Chamber of Commerce, Greater Sacramento Urban League, etc.

Economic Development Meetings

The consultant team will schedule up to eight one-on-one meetings with developers, property owners, and business organizations that have interests within the LPA catchment area. The purpose of these meetings is to provide an update on the project status and to obtain input on key economic development issues to inform the economic analysis described in Task 3.

Environmental Consultation Community Meetings

The consultant team will schedule up to three outreach meetings with community members to obtain input on portions of the project that were not included in the 2008 EIR for the environmental consultation process described in Task 8. It is anticipated that this will include meetings to address the segment adjacent to the maintenance facility options and access track, the Depot District, the segment east of the Convention Center, and the segment of H Street between 8th Street and 12th Street.

End Products:

6A – Documentation of Public Comments (March 2013)

Task 7 – Project Management

Clear communication and a transparent process will guide the project management task. Bob Grandy will devote significant time and effort at this early stage to establish communication protocols that last through the completion of the above Phase 1 work tasks, which is anticipated to be February of 2013. Consultant will work with SACOG to coordinate the following tasks.

- Develop a Project Management Plan, which will include a refined work scope, schedules, quality control, and invoicing.
- Conduct bi-monthly meetings with the Project Management Team (PMT).
- Conduct quarterly meetings with the Project Steering Committee (PSC).
- Coordinate and conduct all PMT and PSC meetings in which open communication is encouraged. The team will bring data and tools to facilitate decision-making.

Consultant will submit a comprehensive draft project management plan within 15 days of Notice to Proceed that will be a reference tool throughout the study. In addition to outlining an approach, detailed work plan, work schedule, deliverables, and milestones, the plan will clearly outline communication protocols for the entire team. The Project Study Area (PSA) will also be confirmed and described in the draft project management plan.

Consultant will meet with the PMT to receive comment and direction on revisions to the draft project management plan. A revised project management plan (in tracked format, to highlight all changes) will be submitted to SACOG staff and the PMT for confirmation that all changes have been properly addressed. Based on direction from SACOG staff, Consultant will make any final changes and submit a Final Project Management Plan.

Consultant will submit a technical memorandum documenting data requests for members of the Working Group. Consultant will work with SACOG staff to prepare draft agenda packets for all bi-monthly PMT meetings. Consultant will attend a kick-off meeting with the PMT to develop consensus on the Phase 1 work plan.

End Products:

7A – Draft and Final Project Management Plan (October 2012)

7B – Memorandum 3 – Data Requests for PMT members (October 2012)

7C – Draft Agenda packets for PMT meetings (2 days before meeting)

Task 8 – Environmental Consultation and Strategy

Consultant will attend up to eleven informal stakeholder, community and resource agency meetings that will be held during this phase of the project, as follows:

- Two meetings with FTA;
- One meeting with Caltrans;
- One meeting with the State Historic Preservation Officer;
- One meeting with federal resource agencies identified by FTA as critical for project implementation or, if not possible to organize one meeting, four individual agency meetings; One joint meeting with City of Sacramento, Regional Transit, and SACOG environmental and planning staff; and
- Three community meetings.

In support of these meetings, we will prepare a project fact sheet that will include information about the project background, a summary description of the project and its objectives, a project schedule and a project map. In addition, each of the agency meetings may require a follow-on conference call.

Working closely with the PMT and FTA, we will prepare a first draft project description for review and refinement. The description will describe the physical features of the project and will include information on proposed changes to operations and maintenance. Project description figures will delineate the project area, including the proposed alignment, station location and design elements, proposed maintenance and storage facility sites, staging areas and construction access routes. The project description will include the No Action Alternative and the Streetcar Project Alternative, based on the 30 percent design plans previously prepared for the portion of the alignment that has not changed that is the same as that studied in the 2008 Draft EIR, the 5 percent design for the new alignment including any modifications to existing LRT station platforms to accommodate streetcar service, and as-built plans for the existing LRT track that is to be shared by the streetcar project. Construction methods will be defined to the extent possible based on the available design plans. Consultant will revise the project description based on PMT comments for use in the next phase of the project.

Using work completed for the City of West Sacramento's EIR for the Downtown/Riverfront Streetcar Study as a starting point, Consultant will prepare an updated Purpose and Need Statement for the Environmental Documents, accounting for the changes that have occurred to both the project and environmental setting since the previous EIR. The project "Need" will be established using existing information from the PMT and FTA that illustrates issues and deficiencies that warrant transportation improvement in the project corridor.

Based on the feedback received through the consultation process from the PMT, FTA, permitting agencies, and community members, Consultant will prepare a memorandum describing a recommended approach for completing the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documentation for the Downtown/Riverfront Streetcar Project. The memo will include technical studies for resource areas that have the greatest potential for significant unavoidable impacts for the portions of the streetcar alignment that were not previously studied in the project EIR. Based on our understanding of the proposed project and expected resource issues, the critical resource areas are air quality and greenhouse gases, noise,

cultural resources, and transportation and circulation (including navigation). The technical studies will entail data gathering and a high level qualitative analysis to determine the potential for significant unavoidable impacts for these resource areas.

End Products:

8A – Draft and Final Fact Sheet (March 2013)

8B – Draft Purpose and Need (March 2013)

8C – Draft Project Description (March 2013)

8D – Memorandum 4 – Technical Approach for NEPA/CEQA Studies, including technical memoranda for air quality and greenhouse gases, noise, cultural resources, and transportation and circulation (including navigation) that support the recommended NEPA/CEQA approach (April 2013)

Task 9 – 5 Percent Concept Engineering Plans

Consultant will prepare 5 percent concept engineering plans for new portions of the route where 30 percent plans were not previously developed, finalize layouts of the two alternate maintenance facility locations, develop two options for relocating LRT from K Street to H Street, and prepare updated cost estimates for the full project. The 5 percent plans will be incorporated into the project description for the environmental documents as described in Task 8.

5 Percent Plan Segments

- 1) Three alignment options through/adjacent to Sacramento Amtrak Depot
- 2) Alignment east of Sacramento Convention Center (15th to 19th Streets) – south side of J Street, east side of 19th Street, and north side of L Street
- 3) Alignment option on north side of J Street adjacent to Convention Center (13th to 19th Streets)
- 4) Alignment option using 12th Street (rather than 13th Street) to connect to J/L Streets
- 5) Alignment option on Riverfront Street including stop at Raley Field
- 6) Track alignment assessment for longitudinal bridge joint on I-5 bridge
- 7) Two alignment options for locating LRT tracks and new stops on H Street (8th to 12th Streets)
- 8) Preferred alignment for K Street between 7th and 8th Street, and plan for relocated eastbound LRT stop on K Street (at 9th Street) to 8th Street (south of K Street)
- 9) Final layouts for the two alternate maintenance facility locations

Consultant will prepare updated capital cost estimates for the Draft LPA alignment with updated quantities. Consultant will also prepare updated annual operating and maintenance cost estimate that includes deadhead costs.

End Products:

9A – 5 Percent Concept Engineering Plans (April 2013)

In addition to the Phase 1 tasks listed above that are being completed through a \$400,000 contract, a new contract for \$600,000 will be prepared to cover additional project development tasks. An additional \$355,000 in the project budget is not currently planned for consulting contracts, but instead is going towards sponsoring or participating agency staff completing administrative or project work tasks to advance project development efforts.

The final scope of work for the new \$600,000 contract will be negotiated with the selected consultant team and then amended into the OWP. Responsibilities for the selected consultant team may include tasks in the following project areas:

Project Management and Oversight

Provide direction, guidance and documentation to the PMT on the efforts to complete a Small Starts application to the FTA for the Sacramento Streetcar Project. Lead and document PMT meetings. Coordinate sub-consultant technical work efforts and deliverables.

Environmental Document Guidance and Preparation

Provide advice and guidance to the PMT on the appropriate level(s) of environmental documentation for CEQA and NEPA in the context of a Streetcar project, MAP-21 guidance and California environmental law. Coordinate efforts with the PMT, the public FTA, and other affected agencies in the development of the environmental documentation. Prepare the requisite documents for submittal by SACOG to FTA and other agencies as applicable.

Engineering and Design Development

Provide technical services in the development of advanced conceptual engineering to a level necessary for and consistent with the preparation of the environmental documentation. Expertise is sought in track design, overhead power requirements and design, and maintenance facility design consistent with the “light maintenance and overnight/daytime vehicle storage requirements” of a Streetcar operation in the Sacramento/West Sacramento context.

Economic and Financial Services For Funding The Streetcar Project

Provide services to the PMT and Consultant Team in the areas of developing the financial strategy for funding the Streetcar project through a combination of private sector and public sector strategies and applications. Develop funding forecasts for implementation of the project.

Governance Structure

Provide assistance in the refinement of a governance structure for both the short-term (implementation/construction) and long-term (on-going operations and finance) implementation and operation of a multi-jurisdictional Streetcar project.

Community Outreach

Provide guidance and assistance in a community outreach effort as defined by the PMT for this next step in the project development process.