

STEERING COMMITTEE #5

8/26/15



Riverside
RECONNECTS
STREETCAR STUDY

BAE URBAN ECONOMICS
PLACEWORKS | IBI GROUP

TONIGHT'S MEETING



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RECONNECTS
STREETCAR STUDY

- Review updated ridership projections
- More on potential funding sources
 - Adds to Value Capture discussion at meeting #4
- Financing strategy example
- Challenges and implementation
- Questions and discussion

COMMITTEE PROCESS

START-UP

Purpose & Approach

Current & Future Conditions

REVIEW ALIGNMENT OPTIONS

Route Options/Development Sites

Criteria to Evaluate Options

PROVIDE INPUT FOR PREFERRED ALIGNMENT

Review Technical Analysis

Preferred Alignment

REVIEW ECONOMIC ANALYSIS

Development Assessment

Value Capture Analysis

EVALUATE IMPLEMENTATION & FINANCING

Phasing and Implementation

Financing Strategy

REVIEW DRAFT STUDY, RECOMMENDATION(S)

Review Draft Study

Recommendations

RECAP OF STUDY PURPOSE



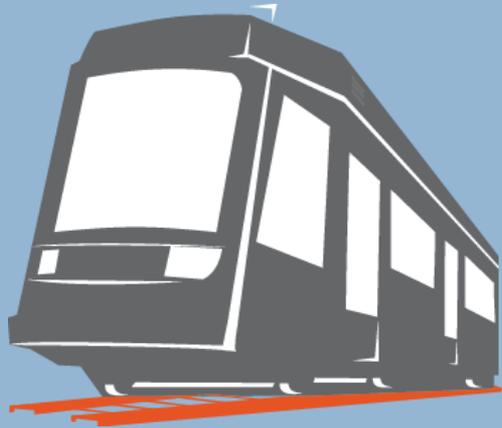
Evaluate enhanced transit's potential to address long-term Riverside challenges, help realize opportunities

Challenges:

- 60,000+ more people in Riverside by 2040
- Traditional development patterns creates huge transportation problems: gridlocked intersections, worse freeway congestion

Opportunities:

- Transform the "L Corridor" into a more urban environment
- Help attract and retain creative, advanced technology jobs
- Investment by developers targeting those companies, residents

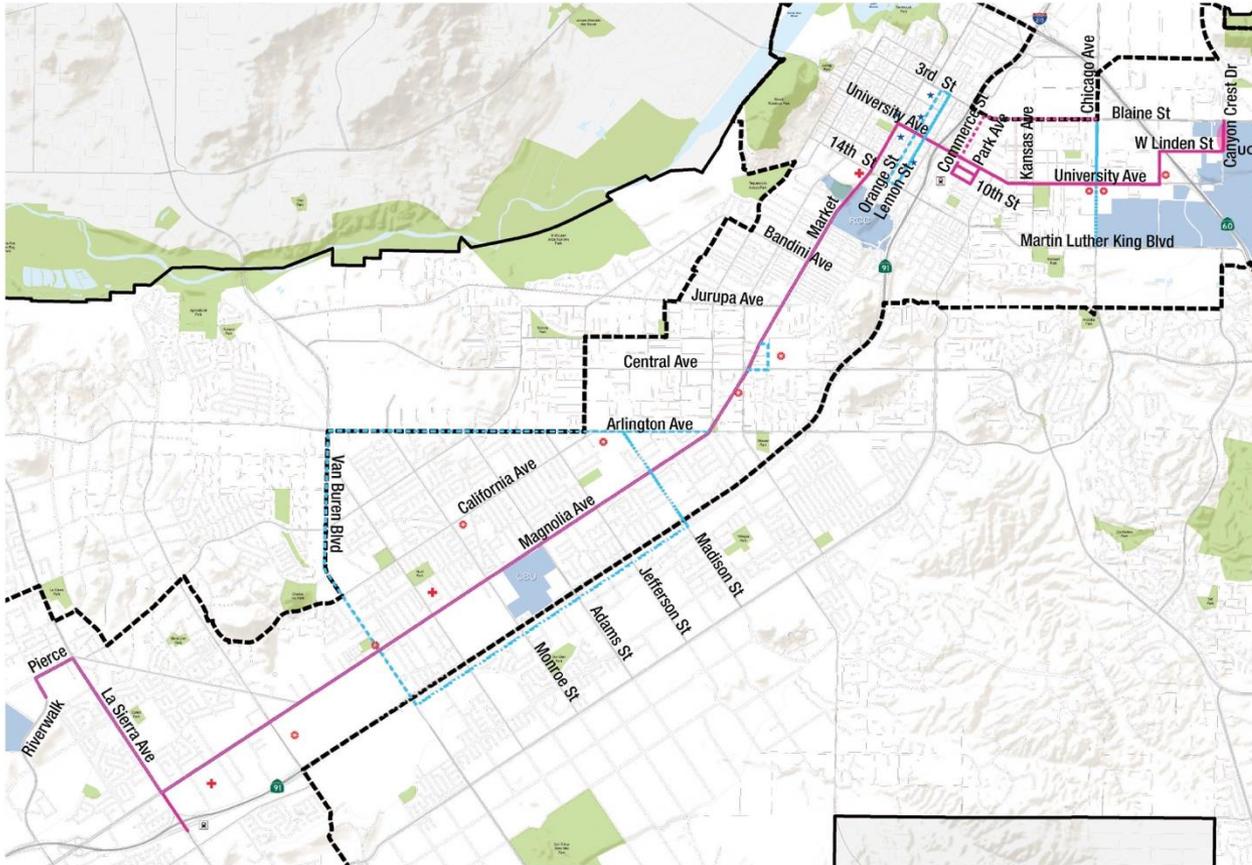


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RIDERSHIP UPDATE

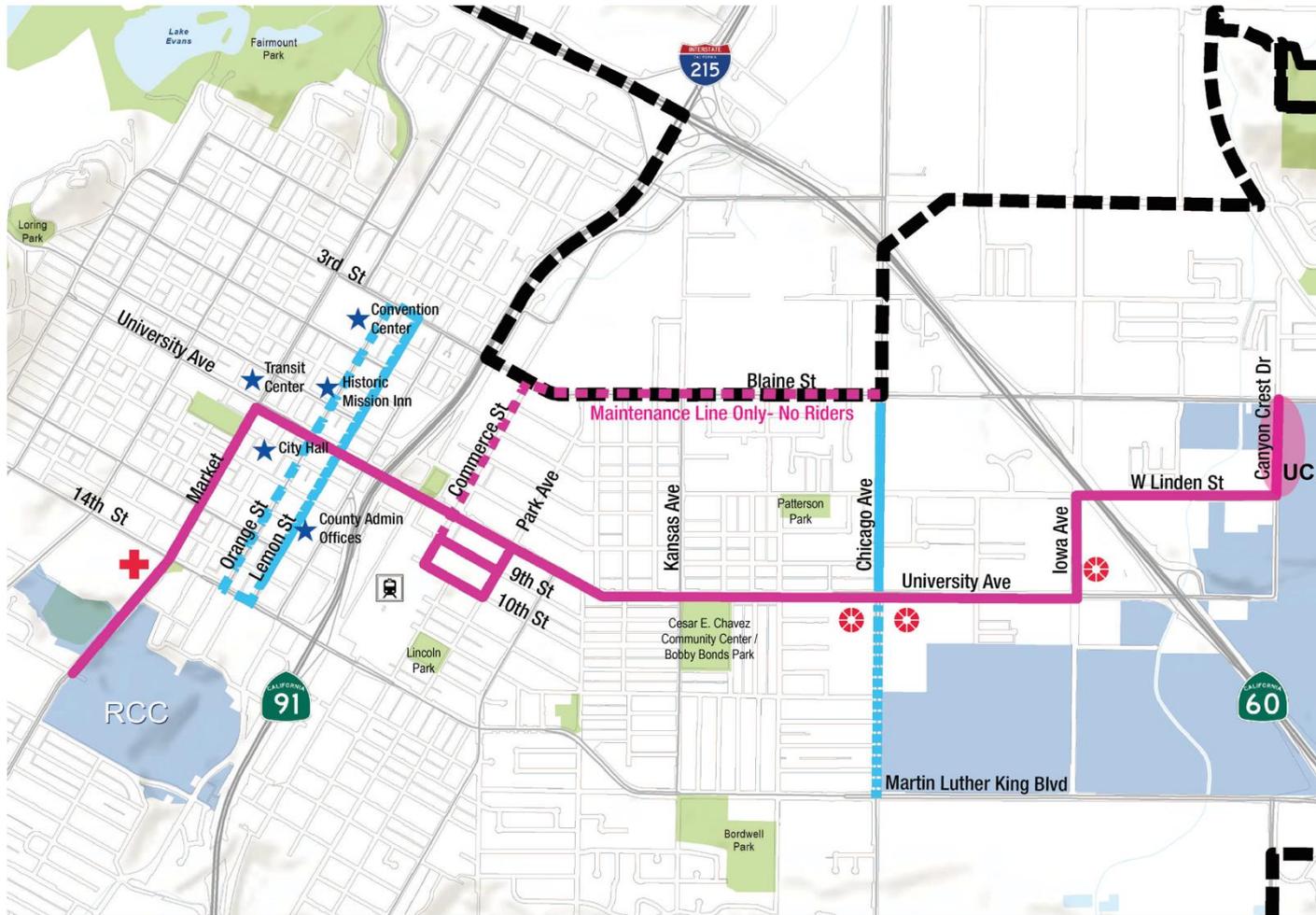
Preferred Alignment



Legend

-  Metrolink Stations
-  Hospitals
-  Shopping Centers
-  Points of Interest
-  Maintenance Spur Line
-  Potential Primary Alignment
-  Future Potential Alignment Extensions
-  Streetcar Study Area Boundary
-  Final terminus at UCR to be determined based on traffic considerations and coordination with the University

Potential Phase 1



Legend

-  Metrolink Stations
-  Hospitals
-  Shopping Centers
-  Points of Interest
-  Maintenance Spur Line
-  Potential Phase I Alignment
-  Future Potential Alignment Extensions
-  Streetcar Study Area Boundary
-  Final terminus at UCR to be determined based on traffic considerations and coordination with the University

DEVELOPMENT SCENARIOS

- “Accelerated” scenario reflecting streetcar induced development, transit-supportive zoning – 20% to 25% above baseline

Area	Residential - du	Commercial - sf
Phase 1 - Accelerated	3,570	3.5M
Phase 2 - Accelerated	5,355	3.5M

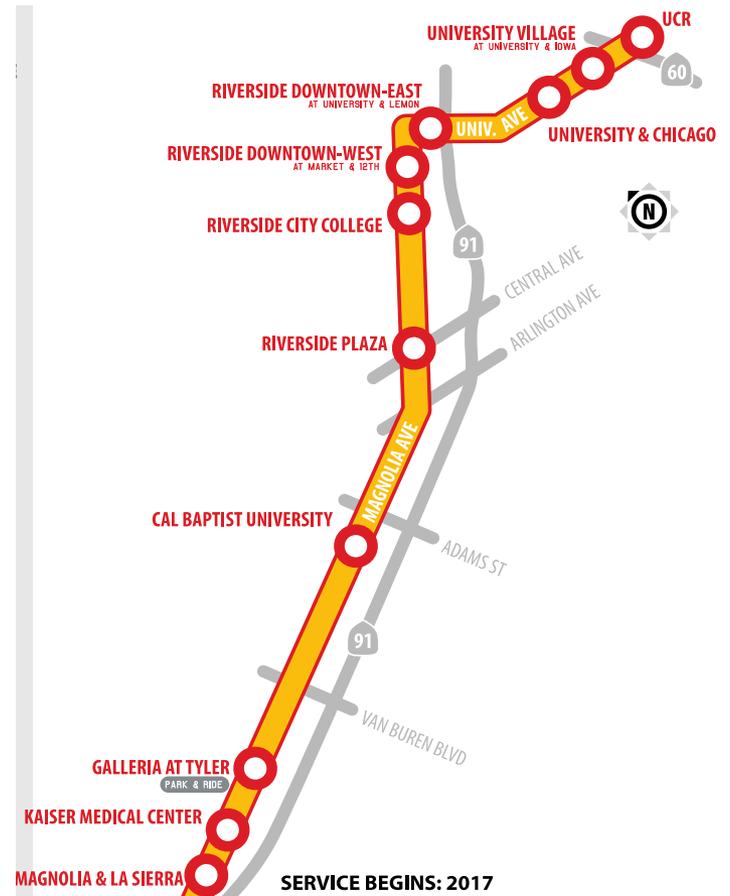
- Results in just over 1/2 of future Riverside growth by 2040 along the “L-shaped” corridor (Magnolia-Market-University)
- SCAG projected 2035 Riverside population: 382,700

RTA ROUTE 1



RTA plans for Route 1 service enhancement:

- 15 minute headways in FY 15/16
- RapidLink (Gold Line) service in 2017 – express Route 1 service
- Route 1 to 10 minute headways in 2020 (unfunded)
- Projected ridership growth (UCR – Corona Transit Center):
Approx. 7,000 on 16 mi. route
+29% by 2025



Gold Line route (partial)

RIDERSHIP



Updated ridership projections per Accelerated Scenario.
Prepared three scenarios, all using FTA STOPS model:

- #1: Accelerated growth, RTA Plans for Route 1
- #2: Accelerated growth, with Route 1 headways lengthened on streetcar route
- #3: Accelerated growth, with Route 1 service reconfigured to minimize overlap

STOPS is the model is used by FTA to evaluate requests for federal funding

RIDERSHIP: PREFERRED ALIGNMENT



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Average weekday ridership, plus capture rate for all trips:

Scenario	2015	2035	Max Capture Rate (2035)
#1: Accelerated, Rte. 1 per RTA Plans	4,060	5,200	1.9%
#2: Accelerated, Lengthened Headways Rte. 1	4,481	5,745	2.0%
#3: Accelerated, Reconfigured Rte. 1	5,045	6,569	2.3%

RIDERSHIP: PHASE 1 ONLY



Average weekday ridership, Phase 1 (UCR – RCC), plus capture rate for all trips:

Scenario	2015	2035	Max Capture Rate (2035)
#1: Accelerated, Rte. 1 per RTA Plans	578	741	0.6%
#2: Accelerated, Lengthened Headways Rte. 1	641	806	0.7%
#3: Accelerated, Reconfigured Rte. 1	859	1,092	0.9%

RIDERSHIP IMPLICATIONS



Ridership capture rate is low – STOPS model starts with current conditions, low transit mode split

A higher capture rate – still at modest levels – would mean greater potential for streetcar or other enhanced transit

A challenge that will need to be addressed in any future round of study, for Alternatives Analysis



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FUNDING ALTERNATIVES

Illustrative Example
For Discussion -
Subject to Revision

THE TRANSPORTATION FUNDING CHALLENGE



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Transportation projects rely upon a mix of federal, state, regional, and local funding sources – the funding “layer cake”

- Some streetcars have leveraged local match to get 65%+ federal funding; average for all systems is 45%

Increasing competition for the same (or shrinking) pool of federal funds for new streetcars and transit systems

Congress is in the middle of transportation bill reauthorization, with uncertain outcome by Study completion date

- Use framework of current MAP-21 legislation

LOCAL: TRANSIT BENEFIT DISTRICT REVENUES

- Stepped rates to reflect declining benefit further from transit

Area	Rate/land sf	Phase 1	Phases 2+
1 st 1/8 mi = 801 acres	\$.0500	\$624,000	\$1,120,000
2 nd 1/8 mi = 500 acres	\$.0250	\$180,000	\$366,000
TOTAL REVENUES		\$804,000	\$1,486,000

- Updated - potential total revenues of \$2.3 million
- Added cost for owner of 1-acre commercial property = \$2,178 per year (a 6% increase in tax bill assuming 11,000 sf building)
- Condo owner would pay approximately \$100/year

LOCAL: ENHANCED INFRASTRUCTURE FINANCE DISTRICT (EIFD) REVENUES

- An EIFD would allocate some of the new property tax increment revenues to City. An allocation does not increase property taxes
- For accelerated scenario, up to \$3.2M/year in new revenues, based on using only 50% of net new tax increment to City

Area	Residential - du	Commercial - sf	New Revenues/Yr
Phase 1 - Accelerated	3,570	3.5M	\$1.47M
Phase 2 - Accelerated	5,355	3.5M	\$1.76M
TOTAL REVENUE			\$3.23M

LOCAL: TYPICAL SOURCES NOT CONSIDERED



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- Existing General Fund revenues – property, sales, room tax, etc.
- Parking revenues – garage, meter, ticket revenues dedicated to new Downtown parking garages
- City Capital Improvement Program – would compete with other identified capital improvement projects

CAPITAL FUNDING: ILLUSTRATIVE EXAMPLE



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POTENTIAL FUNDING (\$000)	Streetcar Phase 1		Streetcar Preferred Align.		%
	\$	%	\$	%	
Federal					
FTA Small Starts	50,000		150,000		
TIGER	25,000		75,000		
Other Federal (STP, UAFG, CMAQ, etc.)	25,000		60,000		
	100,000	40%	285,000		46%
State					
STIP	5,000		15,000		
Greenhouse Gas Reduction Fund	5,000		15,000		
Other State TBD	0		0		
	10,000	4%	30,000		5%
Regional - Measure A Renewal, Local Share	8,000	3%	25,000		4%
City of Riverside					
EIFD	0		0		
Transit Benefit District	0		0		
Development Impact Fees/Charges	37,000		84,000		
Other City TBD	0		0		
<i>Cost Savings - System Design</i>	<i>0</i>		<i>0</i>		
	37,000	15%	84,000		14%
Total Potential Funding	<u>155,000</u>	61%	<u>424,000</u>		69%

OPERATING FUNDING: ILLUSTRATIVE EXAMPLE

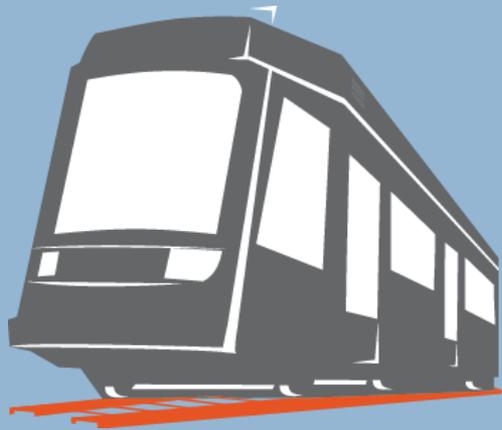


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POTENTIAL OPERATING FUNDS (\$000)	Streetcar Phase 1	Streetcar Preferred Align.
EIFD	1,470	3,230
Transit Benefit District	800	2,300
Farebox & Other Revenues	600	2,500
State STA - revenue-share allocation	800	1,700
Other Sources TBD	0	0
Total Potential Funding	<u>3,670</u>	<u>9,730</u>

Fare same as RTA (\$1.50/ride), with same discounts, etc.

This example does not compete with the funding sources RTA uses for its current bus operations (FTA Sec. 5309)



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COSTS & OPTIONS

Illustrative Example
For Discussion -
Subject to Revision

CONCEPTUAL CAPITAL COST



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CONCEPTUAL COSTS (\$000)

	Streetcar Phase 1		Streetcar Preferred Align.		
	\$	%	\$		%
Site, Guideway, Trackwork	38,600		109,100		
Roadway, Drainage, Utilities, Traffic	30,000		83,800		
Stations & Support Facilities	22,700		30,700		
Systems Costs	33,800		95,900		
<i>Construction Subtotal</i>	<i>125,100</i>	<i>50%</i>	<i>319,500</i>		<i>52%</i>
Planning, Project, Design Contingency	74,600	30%	190,600		31%
Right-of-Way + Contingency	9,500	4%	22,300		4%
Vehicle Cost + Contingency	28,800	11%	48,000		8%
<i>Capital Cost Subtotal</i>	<i>238,000</i>		<i>580,400</i>		
Cost Contingencies	14,500	6%	35,400		6%
Total Costs	<u>252,500</u>		<u>615,800</u>		

CONCEPTUAL OPERATING COST



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Modeled as if a City operation (i.e. City sets up, staffs, and operates the new streetcar service)

Phase 1 streetcar (total): \$4.7 million/year

Preferred Alignment streetcar (total): \$9.5 million/year

BOTTOM LINE FOR THE EXAMPLES



For the illustrative examples, funding sources identified to date do not cover all capital costs

Funding sources identified to date do not cover Phase 1 operating cost; does cover Preferred Alignment operating cost

Sources Minus Uses	Phase 1	Preferred Alignment
Capital Cost	(\$97.5 million) -39%	(\$192 million) -31%
Annual Operations	(\$1.03 million) -22%	\$230,000 +2%

PROJECT OPTIONS



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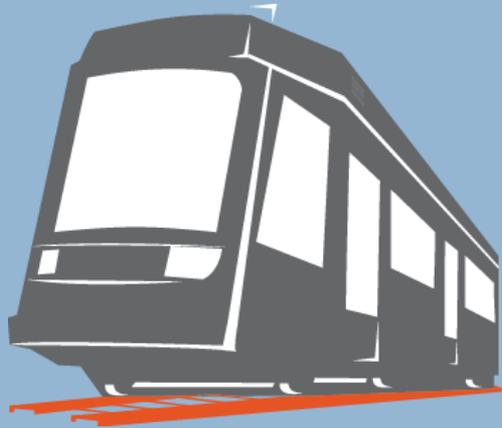
Need to focus on cost reduction strategies. Some options:

- City discussions with a streetcar manufacturer on lower costs
- Public-private partnership (P3) models to reduce costs
- Refine design to reduce costs – alternatives analysis process

Modern Electric Trolley bus with route improvements -- 37% cost of streetcar:

- \$90 million for Phase 1; \$227 million for Preferred Alignment
- No U.S. examples for ridership, economic development potential





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**CHALLENGES &
IMPLEMENTATION**

THE TRANSIT CHALLENGE



60,000+ more people in Riverside by 2040

Traditional development patterns creates huge transportation problems: gridlocked intersections, worse freeway congestion

- Does not capture 21st century ED opportunities

New transit trips can reduce impacts from growth, extent and expense of other transportation system improvements

- Current Riverside General Plan EIR with mitigations: 4 – 5 min. peak delays at major intersections; 50%+ more cars on SR-91

However, current Riverside transit usage is at a modest level

AN APPROACH BASED ON MOBILITY



Starting from a current low share of trips on transit creates a disadvantage when competing for federal funding

Recognize growth creates a need to enhance mobility – and better market conditions create more potential for local funding

Create a discussion on mobility – local + regional – on increased choices, revised zoning, TOD & infill development, funding options

Mobility options should include RTA, modern electric trolley, streetcar, bicycle, and other modes

- Continue evaluation on project components, innovation, timing

PREPARING THE STUDY

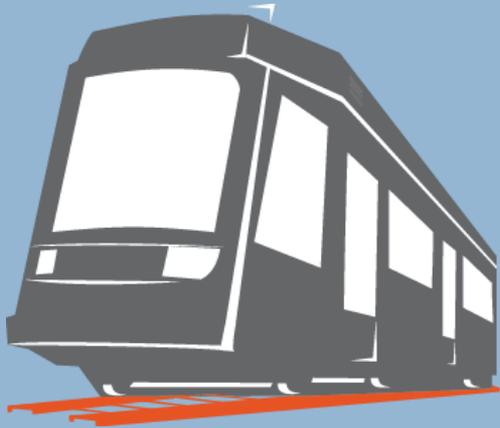


Next: review and revision to analysis and findings

- Meet with local and regional agencies for feedback, guidance

Draft study showing options, costs, benefits, and issues at this point

- No build, modern electric trolley, streetcar
- Set the stage for the work that continues after this study
- Review draft study at next Steering Committee meeting



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NEXT STEPS |

NEXT STEPS

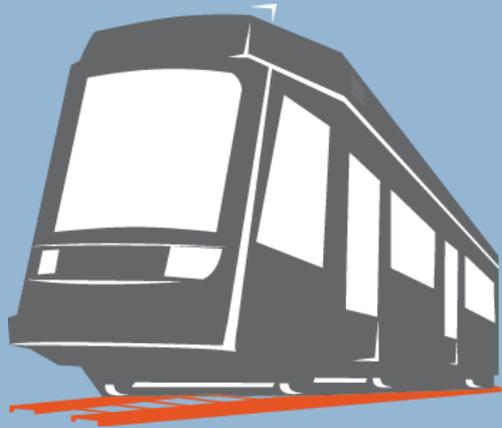


Final Steering Committee meeting to review draft study

- To be confirmed: late September / October

Public presentations (to be scheduled):

- Public Utilities Board: November
- Planning Commission: November
- Other Committee and Commissions Presentation: TBD



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DISCUSSION