

**SMART Regional Rail
Commuter Rail
San Rafael, California
Small Starts Project Development
(Rating Assigned November 2014)**

Summary Description

Proposed Project:	Commuter Rail 2.1 Miles, 1 Station
Total Capital Cost (\$YOE):	\$42.53 Million
Section 5309 Small Starts Share (\$YOE):	\$22.53 Million (53.0%)
Annual Opening Year Operating Cost:	\$0.03 Million
Current Year Ridership Forecast (2014):	760 Daily Linked Trips 195,100 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	820 Daily Linked Trips 209,600 Annual Linked Trips
Overall Project Rating:	Medium
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium

Project Description: The Sonoma-Marín Area Rail Transit District (SMART) proposes to extend by 2.1 miles a 43-mile, 10-station, commuter rail initial operating segment (IOS) that it is currently constructing with local funds between downtown San Rafael and Sonoma County Airport. The extension project would operate from downtown San Rafael to the Golden Gate Transit Larkspur Ferry terminal in Marin County. One new station would be constructed in Larkspur near the ferry terminal, from which ferry service to and from downtown San Francisco is available. The project would also upgrade five public at-grade roadway crossings, including signals, crossing equipment, refurbish one existing railroad trestle bridge and replace another trestle bridge. SMART already owns the rail right-of-way and is procuring diesel multiple unit rail vehicles as part of the locally-funded IOS. Thus, no additional vehicles would be needed for the Small Starts extension project. On weekdays, service would operate every 30 minutes during peak periods. During weekday off-peak periods, one mid-day train would be provided. Four round trips would be offered on weekends.

Project Purpose: In conjunction with the IOS, the extension would offer a direct link from San Rafael to the Larkspur ferry terminal and improve mobility in the increasingly congested US 101 corridor by providing faster, more reliable service than existing bus routes that currently operate along US 101 and circuitous local streets. The project would fill a gap in the region's fixed guideway transit network between the end of the IOS and the ferry terminal.

Project Development History, Status and Next Steps: FTA approved the project into project development in September 2013. SMART adopted a locally preferred alternative in May 2013 that was incorporated into the region's fiscally constrained long-range transportation plan in July 2013. SMART currently anticipates receiving a documented Categorical Exclusion in December 2014, a Small Starts Grant Agreement by mid-2015, and initiating revenue service in late 2016.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal: Section 5309 Small Starts	\$22.53	53.0%
Local: Bay Area Toll Authority / Metropolitan Transportation Commission	\$20.00	47.0%
Total:	\$42.53	100.0%

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

**CA, Rafael to Larkspur Extension
(Rating Assigned November 2014)**

Factor	Rating	Comments
Local Financial Commitment Rating	Medium	
Section 5309 Small Starts Share		The Small Starts share of the project is 53.0 percent.
Composite Financial Rating	Medium	
Capital and Operating Condition (25% of capital plan rating)	Medium-High	<ul style="list-style-type: none"> • The Sonoma-Marín Area Rail Transit District (SMART) does not have a bus fleet or currently operate rail service. • SMART's most recent bond ratings, issued in 2011, are as follows: Fitch A and Standard & Poor's Corporation AA. • SMART's current ratio of assets to liabilities, as reported in its most recent audited financial statement, is 22.1 (FY2013). • There was a cash flow shortfall in 2013 that was covered from reserves, but 2012 and 2011 had positive cash flows.
Commitment of Capital and Operating Funds (25% of capital plan rating)	High	<ul style="list-style-type: none"> • All of the non-Section 5309 Small Starts funds are budgeted. The source of funds is the Metropolitan Transportation Commission's Regional Measure 2 Bridge Toll Program. • All of the funds needed to operate and maintain the transit system in the first full year of operation are committed. Sources of funds include Measure Q sales tax revenues, fare revenues, and other operating income.
Capital and Operating Cost Estimates, Assumptions and Financial Capacity (50% of capital plan rating)	Medium-Low	<ul style="list-style-type: none"> • Sales tax revenue and operating revenue (i.e., fares, joint development, leases) forecasts are optimistic based on historical experience. • The capital cost and schedule are optimistic for this stage of the project. • The financial plan shows that SMART has the financial capacity to cover cost increases or funding shortfalls equal to 94 percent of estimated project costs. • Estimated operating costs for this entirely new system are reasonable. • Operating cash flows are balanced and projected cash reserves are very sensitive to construction cost estimates and revenue forecasts.

San Rafael to Larkspur Regional Connector
Marin County, California
Small Starts Project Development
(Rating Assigned November 2014)

LAND USE RATING: Medium-Low

The land use rating reflects population and employment densities within ½-mile of proposed station areas, as well as the share of legally binding affordability restricted housing in the corridor compared to the share in the surrounding county(ies).

- Employment at existing stations along the line is reported as 23,200, which corresponds to a low rating. Population density for the Larkspur station area is 4,000 persons per square mile, which corresponds to a medium-low rating. Parking for local uses is free although there is a modest fee (\$2/day) for ferry parking.
- The proportion of legally binding affordability restricted housing in the project corridor compared to the proportion in the counties through which the project travels is 0.83, which corresponds to a low rating.
- The area around the proposed Larkspur station primarily includes office buildings, a retail plaza, and multi-family residential developments with some public facilities including a ferry terminal that has a large parking lot. The station area has some sidewalks and pedestrian crossings, including a pedestrian bridge connecting existing development surrounding the proposed station area and the existing ferry terminal, but streets are widely spaced and pedestrian routes are not marked across parking lots. Single-family residential development on the west side of U.S. 101 is not currently accessible.

ECONOMIC DEVELOPMENT RATING: Low

Transit-Supportive Plans and Policies: Medium-Low

- *Transit-Supportive Corridor Policies:* A station area planning process was initiated in 2011 and a draft plan completed in 2014, but this process was suspended in July 2014 so that the Larkspur General Plan Housing Element could first be updated. The draft station area plan identified seven potential development sites with potential residential densities of 30 to 35 units per acre and commercial FAR of 0.5 to 1.0, and included urban design guidelines to support a pedestrian scaled environment. It also recommended various strategies to reduce and manage parking. A multi-modal path is planned to improve pedestrian connections in the station area. The draft Larkspur General Plan Update includes some general policies to improve the transit and pedestrian character of development.
- *Supportive Zoning Regulations Near Transit Stations:* Development in the Larkspur station area east of U.S. 101 is currently governed by planned development (PD) ordinances that provide specifications for projects already built in the area. West of U.S. 101 is zoned and built with low-density residential.
- *Tools to Implement Land Use Policies:* Regional agencies have provided assistance for transit-supportive planning. The Larkspur Station Area Plan effort was funded in part through a Metropolitan Transportation Commission grant and was undertaken through a multiagency collaborative planning effort.

Performance and Impacts of Policies: Low

- *Performance of Land Use Policies:* No specific examples of successful transit-supportive land use outcomes were provided in the City of Larkspur.
- *Potential Impact of Transit Investment on Regional Land Use:* Illustrative development potential in the station area is estimated at an additional 177,000 square feet of commercial development and 920 dwelling units on seven sites. While the current commercial and residential developments in the area appear to be healthy, more intensive development of some sites (including a large parking lot for the ferry terminal and a vacant site) appears plausible.

Tools to Maintain or Increase Share of Affordable Housing: Low

- Marin County policies call for strategies to increase affordable housing through a variety of measures. The Larkspur General Plan Housing Element also includes general language supporting affordable housing. Specific affordable housing programs operated by Marin County or the City of Larkspur, or planned affordable housing development projects in the vicinity, were not identified.

SMART Regional Rail San Rafael to Larkspur Extension. City of San Rafael, CA.

