

Policy Brief | Sacramento Streetcar

Summary: The Cities of Sacramento, West Sacramento, Regional Transit and Yolo Transportation Authority have approved moving forward on feasibility studies for a Streetcar that would connect the West Sacramento Civic Center to the Convention Center in downtown Sacramento.

Issues: The governing bodies of Sacramento, West Sacramento, Yolo, and Regional Transit have approved moving forward with studies on the project. The project must be environmentally and financially feasible to be completed within five years and in the \$60 million range, and must not compete with other projects for funding. Streetcars are designed for short trips and are considered an economic development tool, rather than for public transit.

A Streetcar Policy Committee was convened and recommended that the project avoid using funding sources needed for other regional transportation projects, state and federal funding and funding needed for other revitalization projects. The Streetcar's guiding principles include affordability, the ability to complete the project within five years, provide frequent service, be cost effective and compatible with existing RT infrastructure.

Capital Plan:

The financing plan includes sales tax, parking tax increment, and the implementation of a benefits assessment district. Sacramento would be responsible for approximately \$30.2 million and West Sacramento \$11.5 million. These figures do not include the roughly \$26 million in assessment that would be raised under a benefits assessment district, with a majority of those funds being derived from downtown property owners.

Operations Plan:

It is estimated that annual operations would be \$3.55 million. Annual operations would be funded through a variety of sources including \$1.2 million from the extension of the West Sacramento sales tax, hotel assessments (\$400,000), sponsorships (\$310,000), fare box revenue (\$1 million), Sacramento parking fees (\$460,000) and through the replacement of existing bus service (\$200,000).

Status: Finalize environmental documents in September and then begin final design and implementation actions by end of year.