

**Tacoma Link Expansion
Tacoma, Washington
Small Starts Project Development
(Rating Assigned November 2016)**

Summary Description	
Proposed Project:	Light Rail Transit 2.4 Miles, 6 Stations
Total Capital Cost (\$YOE):	\$175.63 Million
Section 5309 Small Starts Share (\$YOE):	\$74.99 Million (42.7%)
Annual Operating Cost (opening year 2022):	\$6.50 Million
Current Year Ridership Forecast (2013):	4,000 Daily Linked Trips 1,180,300 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	7,000 Daily Linked Trips 2,069,700 Annual Linked Trips
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	High

Project Description: The Central Puget Sound Regional Transit Authority (Sound Transit) proposes to extend the Tacoma Link light rail line from the existing Theater District Station into a historic business district known as the Stadium District, through the Medical Mile, which is a complex of hospitals, to the Hilltop District, a historically diverse neighborhood. The project includes transit signal priority and the purchase of five vehicles. During weekdays, service is planned to operate every 10 minutes during peak periods and every 20 minutes during off-peak and evening periods. On weekends, service is planned to operate every 10 minutes.

Project Purpose: The project will improve mobility and access to the regional transit system for Tacoma residents, employees, and visitors by connecting the existing Tacoma Link system with the City's major activity centers and destinations. The project will serve traditionally underserved populations and neighborhoods in addition to providing economic benefit to the City as a whole. It will serve the Medical Mile hospital complex, which includes Tacoma General, Mary Bridge Children's Hospital, Community Health Care Center, and St. Joseph's Medical Center.

Project Development History, Status and Next Steps: The project entered Small Starts Project Development in August 2014. Sound Transit had a locally preferred alternative (LPA) adopted into the region's fiscally-constrained long range transportation plan in June 2015. Sound Transit completed the environmental review process with receipt a documented Categorical Exclusion in July 2015 and formally selected the LPA in November 2015. Sound Transit anticipates receiving a Small Starts Grant Agreement (SSGA) in late 2017, and starting revenue service in mid-2022.

Significant Changes Since Last Evaluation (November 2015): The capital cost increased from \$166.00 million to \$175.63 million because of higher unit costs of vehicles and the need for a larger operations and maintenance facility than Sound Transit previously planned. Sound

Transit's anticipated Small Starts funding amount did not change, but the Small Starts share decreased from 45 to 42 percent. Additionally, Sound Transit now expects to receive an SSGA in late 2017 rather than 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	\$74.99	42.7%
TIGER Discretionary Grant	\$15.00	8.6%
Section 5307 Urbanized Area Formula Program	\$6.00	3.4%
FHWA Flexible Funds (Congestion Mitigation and Air Quality)	\$5.33	3.0%
FHWA Flexible Funds (Surface Transportation Program)	\$0.28	0.2%
State:		
Washington State Regional Mobility Grant	\$5.00	2.8%
Local:		
Sound Transit Local Tax Revenue	\$57.63	32.8%
City of Tacoma Cash Contribution	\$11.40	6.5%
Total:	\$175.63	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.

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LAND USE RATING: Medium

The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding county.

- Average population density across all station areas is 7,600 persons per square mile, which corresponds to a Medium rating according to FTA benchmarks. Total employment served by the system is 55,300, which corresponds to a Medium-Low rating.
- The proportion of legally binding affordability restricted housing in the project corridor compared to the proportion in the county through which the project travels is 4.67, which corresponds to a High rating.
- The average daily parking cost in the central business district (CBD) is \$9.15, which corresponds to a Medium rating. Existing parking supply in the CBD is 21,300 spaces or about 0.7 spaces per employee, which corresponds to a Low rating.
- The proposed station areas have diverse land uses, including mixed retail/commercial developments, schools, medical centers, parks, and single family and multifamily residential developments.
- The sidewalk networks of the proposed stations are nearly complete. There are sidewalks on both sides of every block accessing each proposed station. Many sidewalks have been significantly improved in the last few years with new landscaping, wider sidewalks, street trees, curb ramps, bulbouts and improved marked crossings.

ECONOMIC DEVELOPMENT RATING: Medium

Transit-Supportive Plans and Policies: Medium-High

- *Transit-Supportive Corridor Policies:* The project is within downtown Tacoma, which is a designated Regional Growth Center per regional growth management and transportation plans. These plans project the population to roughly triple in the alignment's study area by 2035. Three subarea plans further advance the regional and municipal plans to support transit-oriented development, reduce parking, and enhance pedestrian-friendly design.
- *Supportive Zoning Regulations Near Transit Stations:* Existing zoning in most station areas already supports moderate-to-high density mixed use development. Parking requirements are reduced for developments near transit stops, and mixed use zones allow for additional building heights for the incorporation of public benefit features including ground floor street frontage and transit stop improvements.
- *Tools to Implement Land Use Policies:* Public outreach efforts included stakeholder and technical advisory groups, direct mailings, open houses, advertisements, and more. Tacoma's multifamily property tax exemption program was established to encourage multifamily housing in Hilltop and Stadium mixed-use centers and 15 other mixed-use centers. Downtown On The Go, sponsored in part by Pierce Transit, the City of Tacoma and the Tacoma-Pierce County Chamber, also reaches out to financial institutions and major employers in its efforts to promote living and working in downtown Tacoma. The City of Tacoma has implemented a Transfer of Development Rights program in its mixed-use centers and downtown zoning districts.

Performance and Impacts of Policies: Medium

- *Performance of Land Use Policies:* A total of forty-one separate developments have been built within the station areas since 2003. These developments are all categorized as mixed-use, multifamily residential, medical, office, or hotel. Nineteen separate developments are planned or proposed for the station areas. Just over 2,200 residential units were added over a decade to a base of approximately 6,000 study area households, suggesting a growth rate of approximately 3.1 percent annually.
- *Potential Impact of Transit Investment on Regional Land Use:* The corridor has capacity for just over 30,000 new households and just under 57,000 new employees, with current zoning in place. Downtown Tacoma appears well-positioned to capture an increasing share of regional employment growth due to

its urban amenities and relatively affordable housing compared to the overall Seattle-Tacoma region. The overall household projected growth rate for the entire City of Tacoma is 2.1 percent annually between 2010 and 2035. For the project corridor, the projected rate is much higher, at 4.7 percent annually.

Tools to Maintain or Increase Share of Affordable Housing: Medium

- Tacoma needs an estimated 14,100 additional affordable housing units for its current population of low-income households that are paying unaffordable amounts for housing. Tacoma has several tools for encouraging developers to build and maintain affordable housing, including height bonuses; tax exemptions; loans for repair, rehabilitation, homebuyer assistance, and affordable housing development; affordability covenants; and rent controls. Tacoma's Comprehensive Plan has also proposed using accessory dwelling units as a tool to implement affordable housing, while increasing density.

