

**Central City Line
Spokane, Washington
Small Starts Project Development
(Rating Assigned November 2018)**

Summary Description	
Proposed Project:	Bus Rapid Transit 5.8 Miles, 21 Stations
Total Capital Cost (\$YOE):	\$72.00 Million
Section 5309 CIG Share (\$YOE):	\$53.43 Million (74.2%)
Annual Operating Cost (opening year 2021):	\$4.60 Million
Current Year Ridership Forecast (2017):	3,500 Daily Linked Trips 1,032,800 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	4,100 Daily Linked Trips 1,178,800 Annual Linked Trips
Overall Project Rating:	Medium
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium

Project Description: The Spokane Transit Authority (STA) proposes to implement bus rapid transit between Browne’s Addition, a residential area and National Register Historic District located west of downtown Spokane, and an eastern terminus at Spokane Community College. The project includes transit signal priority, a real-time bus arrival information system, and the purchase of 10 low-floor electric buses. During weekdays, service is planned to operate every 7.5 minutes during peak periods, every 10 minutes during off-peak periods and every 15 minutes during evenings, while service is planned to operate every 15 minutes on weekends.

Project Purpose: The proposed project addresses the need for improved transit accessibility and efficiency, greater mode choice in downtown, reduced barriers to pedestrian mobility, and convenient transit service beyond peak periods. STA expects the project to encourage new development in downtown Spokane that supports local and regional land use goals.

Project Development History, Status and Next Steps: STA selected a preliminary locally preferred alternative (LPA) in July 2011. In April 2013, the LPA was adopted into the region’s fiscally constrained long-range transportation plan. The LPA was revised in July 2014 to extend the alignment 2.5 miles eastward to serve Spokane Community College. In December 2017, the revised LPA was adopted into the fiscally constrained long-range transportation plan. STA anticipates completion of the environmental review process with receipt of a Categorical Exclusion determination from FTA in early 2019, receipt of a Small Starts Grant Agreement in 2019, and the start of revenue service in fall 2021.

Significant Changes Since Last Evaluation (June 2017): There have been no significant changes to the project since the last evaluation.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 Small Starts	\$53.43	74.2%
FHWA Flexible Funds (Congestion Mitigation and Air Quality Program)	\$1.37	1.9%
State:		
Connecting Washington Grant	\$15.00	20.8%
Regional Mobility Grant	\$2.20	3.1%
Total:	\$72.00	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.

**WA, Spokane, Central City Line Bus Rapid Transit Project
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Factor	Rating	Comments
Local Financial Commitment Rating	Medium	
Non-Section 5309 Small Starts Share	n/a	The CIG share of the project is 74.2 percent.
Project Financial Plan	Medium	
Current Capital and Operating Condition (25% of local financial commitment rating)	Medium-High	<ul style="list-style-type: none"> • The average age of the bus fleet is 8.7 years, which is older than the industry average. • Spokane Transit Authority (STA) does not issue bonds and has no bond rating. • STA's current ratio of assets to liabilities as reported in its most recent audited financial statement is 6.53 (FY2017). • There have been no service cutbacks or cash flow shortfalls in recent years.
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	Medium-High	<ul style="list-style-type: none"> • Approximately 67.7 percent of the non-Section 5309 CIG funds are committed or budgeted, and the rest are considered planned. Sources of funds include Congestion Mitigation and Air Quality Improvement funds, State of Washington Connecting Washington program funds, and State of Washington Regional Mobility Program funds. • Approximately 98.5 percent of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted, and the rest are considered planned. Sources of funds include FTA Section 5307 Urbanized Area Formula funds, State of Washington Special Needs operating grants, fare revenues and other sources of system-generated operating revenue, and sales tax revenues.
Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Medium-Low	<ul style="list-style-type: none"> • Assumed growth in capital revenue assumptions is optimistic compared to recent historical experience. • The capital cost estimate is reasonable. • Regarding growth in operating revenue assumptions, farebox collections are very optimistic, and sales tax revenues are reasonable. • Operating cost estimates are reasonable compared to recent historical experience.

		<ul style="list-style-type: none">• STA has access to cash reserves, or other committed funds to cover cost increases or funding shortfalls equal to at least 25.6 percent of estimated CIG capital cost and 15 percent of annual system wide operating expenses.
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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.

- The average population density across all station areas is 4,286 persons per square mile, which corresponds to a Medium-Low rating according to FTA benchmarks. Total employment served is 34,196, corresponding to a Low rating. The average daily parking cost in the central business district (CBD) of Spokane is approximately \$9.85, corresponding to a Medium rating. The proportion of LBAR housing in the project corridor compared to the proportion in the county through which the project travels is 2.62, which corresponds to a High rating according to FTA benchmarks.
- The Central City Line corridor, including the CBD and historic former “streetcar” neighborhoods, includes land use, urban form, and street connectivity that is inherently transit-oriented. The proposed route would serve the region’s major employment, education, and residential centers, with station areas representing a mix of land uses.
- The sidewalk network within station areas is largely complete, with sidewalks accessing all proposed stations on both sides of the street.

ECONOMIC DEVELOPMENT RATING: Medium

Transit-Supportive Plans and Policies: Medium

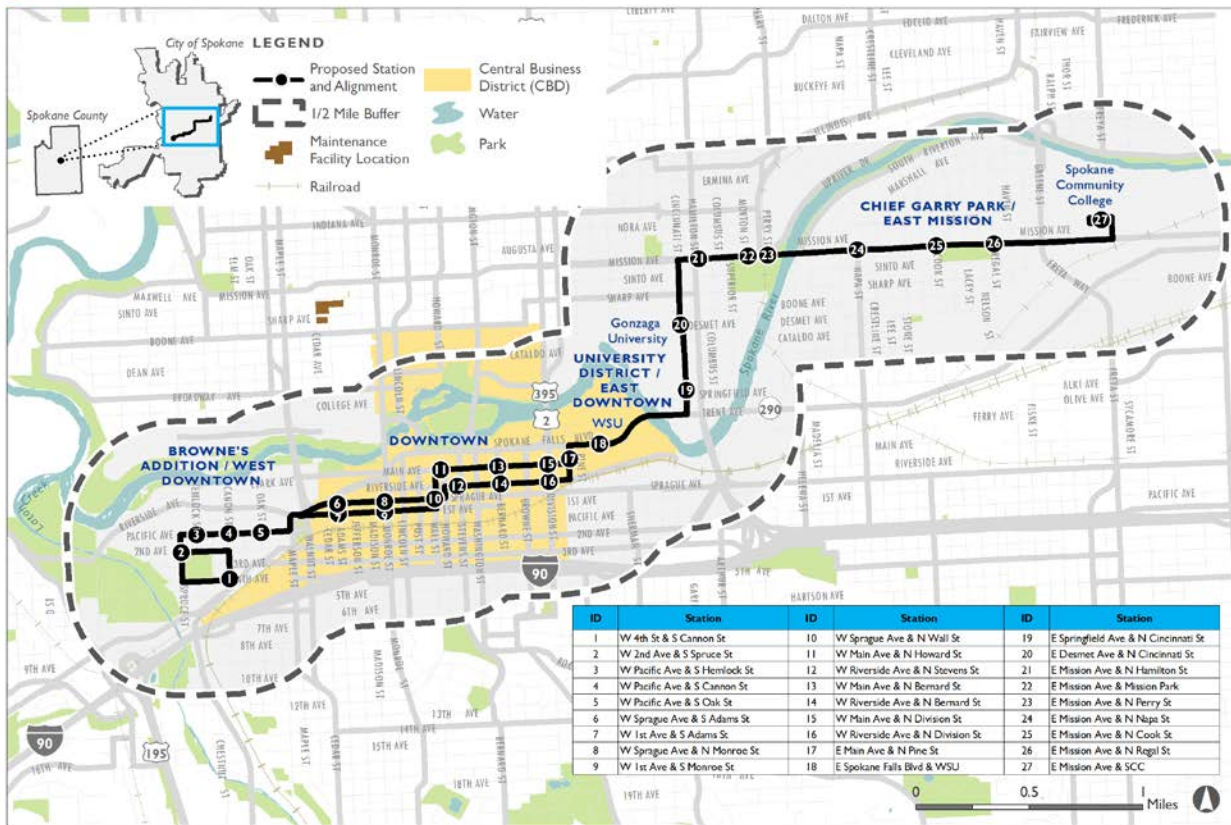
- *Transit-Supportive Corridor Policies:* Local plans support increased station area development, mixed-use and transit-oriented development, pedestrian facility improvements, and parking management strategies. Plans and policies are more supportive in downtown Spokane and the University District and less supportive in the single-family and industrial areas along the outer portions of the alignment.
- *Supportive Zoning Near Transit Stations:* CBD zoning is highly supportive of transit-oriented development, with no maximum floor area ratios and no minimum parking requirements. High-density residential zones are also supportive of transit-oriented development, but single-family residential zones present along much of the corridor are not currently transit-supportive. The city expects to adopt a transit overlay zoning district in 2018.
- *Tools to Implement Land Use Policies:* Spokane offers density bonuses for developments that include public amenities and tax benefits for some multi-family housing developments.

Performance and Impacts of Policies: Medium-High

- *Performance of Land Use Policies:* Five recent construction or renovation projects and three pending or proposed projects demonstrated transit-oriented densities and design characteristics. The applicant listed an additional 48 completed and 11 pending or proposed projects. About half of the recently completed, proposed, and pending projects consist of student and multi-family housing.
- *Potential Impact of Transit Investment on Regional Land Use:* Approximately 245 acres of vacant land and 230 acres of underutilized land outside of low-density residential zones are available within the CCL corridor. This land has the capacity for approximately 25,500 new households and 84,000 new employees, or over twice the existing households and employees. Population is growing at a comparatively faster rate than the region, while employment is growing at a comparatively slower rate.

Tools to Maintain or Increase Share of Affordable Housing: Medium

- Spokane provides density bonuses for developments that include affordable housing. A total of 610 units of affordable housing in 18 developments was completed in the last decade or is planned. Evidence of measures to ensure long-term affordability is limited to covenants tied to city and state tax credits or funding.



Date: 4/14/2017 Sources: City of Spokane, Spokane County, SRTC

