

Redlands Passenger Rail Project
San Bernardino, California
Small Starts Project Development
(Rating Assigned November 2017)

Summary Description	
Proposed Project:	Commuter Rail 9.0 Miles, 5 Stations
Total Capital Cost (\$YOE):	\$276.24 Million (Includes \$1.9 million in finance charges)
Section 5309 Small Starts Share (\$YOE):	\$80.00 Million (29.0%)
Annual Operating Cost (opening year 2020):	\$7.41 Million
Current Year Ridership Forecast (2017):	1,900 Daily Linked Trips 529,700 Annual Linked Trips
Horizon Year Ridership Forecast (2035):	2,200 Daily Linked Trips 607,000 Annual Linked Trips
Overall Project Rating:	Medium-Low
Project Justification Rating:	Medium-Low
Local Financial Commitment Rating:	Medium-High

Project Description: The San Bernardino County Transportation Authority (SBCTA) proposes to implement a commuter rail service between the San Bernardino Transit Center and the University of Redlands. The project includes procurement of three new diesel multiple unit (DMU) vehicles, and construction of 465 park-and-ride spaces. SBCTA is responsible for the funding and delivery of the Project. The local transit operator, OmniTrans is expected to operate the new commuter rail service. Service is anticipated to operate every 30 minutes during peak hours on weekdays and every 60 minutes during off-peak hours on weekdays, weekday evenings and weekends. In addition, Metrolink, which currently operates commuter rail service connecting San Bernardino to Los Angeles, is expected to run once daily round-trip service between Los Angeles and the eastern terminus of the Project.

Project Purpose: SBCTA believes the project will provide a valuable transit alternative for a rapidly growing region with highly congested, automobile dependent infrastructure. The population in San Bernardino County has more than doubled in the last 30 years, and growth has outpaced regional investment in transportation infrastructure. Over 50 percent of residents commute to jobs within 10 miles of their homes. Physical geography limits road network connectivity, leading to increased vehicle congestion in the corridor. Existing bus passengers are heavily reliant on transit, but suffer from limited road-based transit options.

Project Development History, Status and Next Steps: SBCTA selected a locally preferred alternative in March 2015, which was adopted into the region's fiscally constrained long-range transportation plan on April 7, 2016. SBCTA completed an Environmental Impact Statement and received a Record of Decision from FTA in February 2015. The project entered Small Starts Project Development in October 2016. SBCTA anticipates receipt of a Small Starts Grant Agreement in 2018, and the start of revenue service in 2020.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 Small Starts	\$80.00	29.0%
FHWA Flexible Funds (Congestion Mitigation and Air Quality Program)	\$34.85	12.6%
Transportation Investment Generating Economic Recovery Discretionary Grant	\$8.68	3.1%
State:		
State Transit Assistance Fund	\$27.26	9.9%
Public Transportation Modernization, Improvement & Service Enhancement Account	\$19.11	6.9%
Transit and Intercity Rail Capital Program	\$9.21	3.3%
California Transit Security Grant Program	\$5.06	1.8%
Local:		
Sales Tax Measure I	\$86.84	31.4%
Cash Contributions from the Cities of Loma Linda, Redlands, and San Bernardino	\$2.91	1.1%
Private:		
Private Contributions from the University of Redlands and the Environmental Systems Research Institute	\$2.32	0.9%
Total:	\$276.24	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, San Bernardino, Redlands Passenger Rail Project
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Factor	Rating	Comments
Local Financial Commitment Rating	Medium-High	
Non-Section 5309 Small Starts Share	+1 level	The Small Starts share of the project is 29.0 percent.
Project Financial Plan	Medium	
Current Capital and Operating Condition (25% of local financial commitment rating)	Medium	<ul style="list-style-type: none"> • Average age of the bus fleet is 8.1 years, which is older than the industry average. • There are no recent bond ratings for San Bernardino County Transportation Authority (SBCTA). • Omnitrans' current ratio of assets to liabilities as reported in its most recent audited financial statement is 1.5 (FY 2016). • 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)	High	<ul style="list-style-type: none"> • Approximately 97.3 percent of non-Section 5309 Small Starts funds are committed or budgeted, and the rest are considered planned. Sources of funds include a USDOT Transportation Investments Generating Economic Recovery grant, FHWA Congestion Mitigation and Air Quality funds, a State Transit and Intercity Rail Capital Program Grant, Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account funds, Proposition 1B California Transit Security Grant Program funds, State Transit Assistance funds, local Measure I sales tax revenue, private contributions from the University of Redlands and the Environmental Systems Research Institute, and local cash and in-kind contributions from the cities of Loma Linda, Redlands and San Bernardino. • Approximately 39.7 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 Low Carbon Transit Operations Program funds, State Transit Assistance, Local Transportation Fund sales tax revenue, farebox revenue, Measure I sales tax revenue, and advertising revenues.

Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Low	<ul style="list-style-type: none"> • Growth in Omnitrans' capital revenue assumptions is optimistic compared to recent historical experience, and the reasonableness of assumptions for Project capital revenue sources cannot be determined due to an incomplete financial plan. • The capital cost estimate is reasonable. • Regarding growth in operating revenue assumptions, farebox collections are very optimistic and Local Transportation Fund sales tax revenues are reasonable compared to recent historical experience. • Operating cost estimates are reasonable compared to recent historical experience. • SBCTA has access to funds via additional debt capacity, cash reserves, or other committed funds to cover cost increases or funding shortfalls equal to at least 12.8 percent of estimated project cost. Omnitrans has access to funds via additional debt capacity, cash reserves, or other committed funds to cover at least 24 percent of annual system-wide operating expenses.
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LAND USE RATING: Medium-Low

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 station area population density is 5,002 persons per square mile, which corresponds to a Medium-Low rating by FTA benchmarks. Existing employment in the station areas is 25,373, corresponding to a Low rating. Parking in the central business district (CBD) is free, which rates Low. The proportion of LBAR housing in the project corridor compared to the proportion in the county through which the project travels is 2.16, which corresponds to a Medium rating.
- The five station areas in San Bernardino and Redlands are characterized as suburban town centers with low rise commercial office, retail, and industrial buildings surrounded by significant amounts of off-street surface parking. Residential properties primarily consist of one and two story detached single family houses, duplexes and quadplexes. The final station of the project is located at the campus of the University of Redlands, which has 5,000 students.
- The provision of sidewalks is inconsistent, and there are numerous long street blocks with deep setbacks.

ECONOMIC DEVELOPMENT RATING: Medium-Low

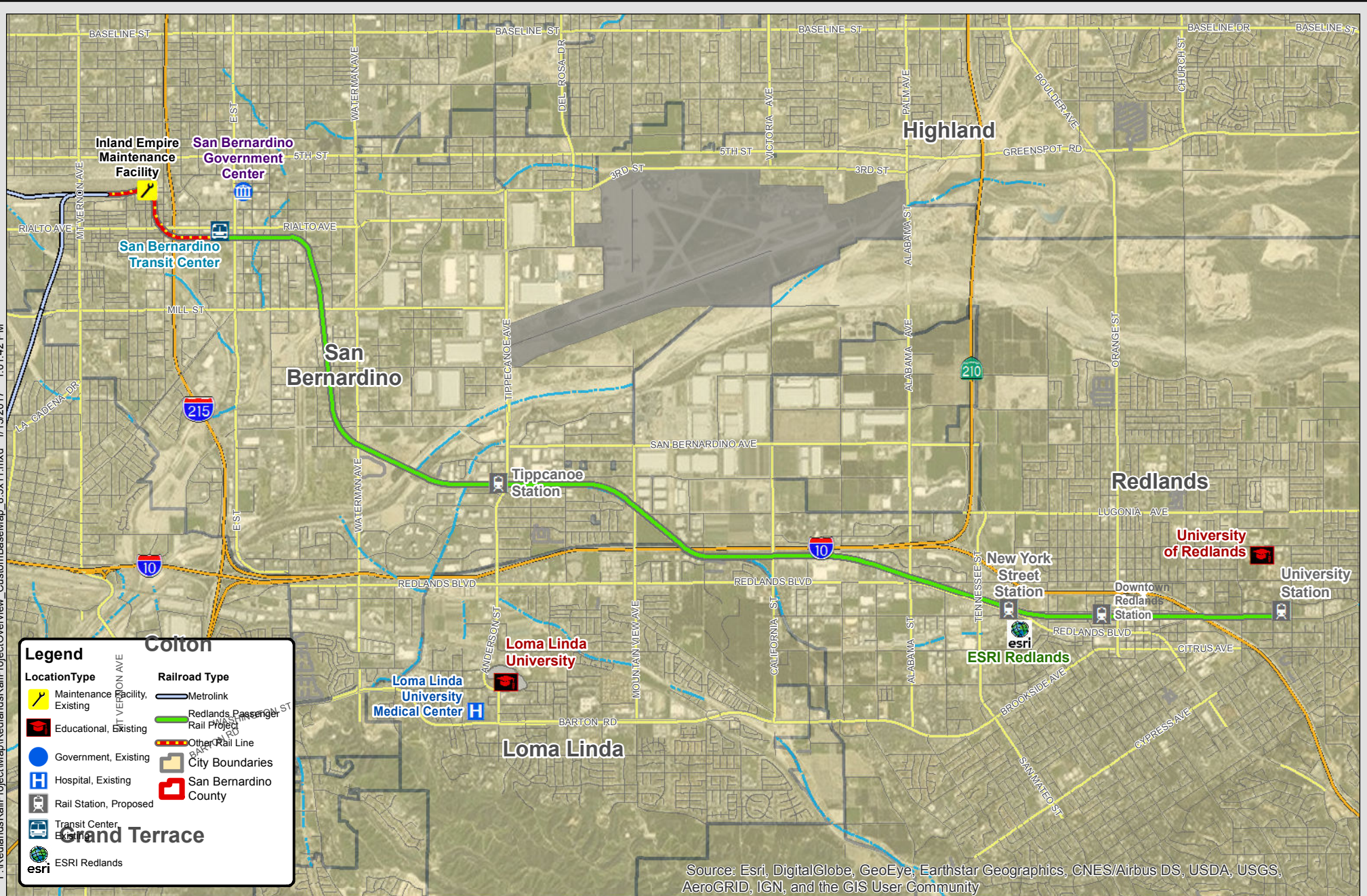
Transit-Supportive Plans and Policies: Medium

- *Transit-Supportive Corridor Policies:* San Bernardino's comprehensive plan recommends low to medium-low commercial densities in most of the city's two station areas, but a portion of the CBD is proposed for high-density mixed-use development. The city has developed more detailed plans for a civic center and mixed-use village on a 45-acre redevelopment site downtown. Redlands' draft 2035 General Plan recommends completing small area plans for the station areas, designating overlay zones to allow higher development densities and mixed uses, and creating a pedestrian-friendly environment near transit.
- *Supportive Zoning Regulations Near Transit Stations:* San Bernardino has designated transit overlay zoning districts in portions of its two station areas that allow for medium to high development densities and, in some locations, mixed uses. The overlay zones also limit the depth of building setbacks. Zoning in other portions of the corridor generally allows for moderate residential and commercial densities. Both jurisdictions have limited provisions to reduce the amount of parking required for new buildings located in station areas.
- *Tools to Implement Land Use Policies:* Incentives for transit-supportive development are generally limited to density bonuses for developments that provide public benefits. San Bernardino extends such bonuses for downtown developments and Redlands proposes to do so for developments near project stations. There were only a few examples provided of efforts to engage the community or developers about station area plans or transit-supportive development.

Performance and Impacts of Policies: Medium-Low

- *Performance of Land Use Policies:* San Bernardino has developed a transit-supportive master plan for the 45-acre Carousel Mall and Theater Square site downtown, while in Redlands, two large sites totaling 55 acres are proposed for eventual transit-oriented development, pending more detailed planning. However, little transit-supportive development appears to be underway in the corridor.
- *Potential Impact of Transit Investment on Regional Land Use:* There is a significant amount of undeveloped or underutilized land within the corridor, particularly in San Bernardino's station areas. The corridor's population is expected to grow more slowly than that of the county by 2040, while employment growth in the corridor is expected to slightly outpace the county's growth.

Tools to Maintain or Increase Share of Affordable Housing: Low
<ul style="list-style-type: none">No corridor-specific affordable housing needs assessment was conducted. California state law requires cities and counties to grant a density bonus for developments that set aside at least 10 percent of units for low-income households. No other policies, strategies, incentives or financial tools to increase the supply of affordable housing (outside of standard HUD programs) were noted.



CREATED BY: Engineering Solutions Services
 DATA SOURCES: SBCTA
 ESRI
 Engineering Solutions Services



Redlands Passenger Rail Project Project Area Overview San Bernardino and Redlands, CA

0 0.25 0.5 1 Miles

1 inch = 5,000 feet

