



Downtown Riverfront Streetcar Sponsorship Change

Consent

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Attachments: Yes

Approved by: James Corless

Referring Committee: Transportation

1. Issue:

The Downtown Riverfront Streetcar project has been advancing as a partnership between Sacramento Regional Transit (SacRT), City of Sacramento, and City of West Sacramento, including a new project alignment. As part of the next steps to continue moving the project forward, project sponsorship will transition from SACOG to SacRT through a request to the Federal Transit Administration (FTA).

2. Recommendation:

The Transportation Committee recommends that the Board of Directors delegate authority to the executive director to request the FTA change the project sponsorship for the Downtown Riverfront Streetcar project from SACOG to SacRT.

3. Background/Analysis:

In 2004, the City of West Sacramento and City of Sacramento entered into a Memorandum of Understanding (MOU) in which both cities agreed to jointly develop and provide funding for a streetcar system that would connect the two cities. This MOU identified a governance structure, and established as a future step creating a joint powers authority (JPA) to manage the project, with construction and operations duties managed by SacRT. SACOG was not party to the MOU, but was identified by the parties to provide staffing and project management. When the parties applied to the FTA for funding, they identified SACOG as the project sponsor. In 2017, the two cities formed the Riverfront JPA to acquire, plan, design, finance, construct, own, operate and maintain a fixed-rail streetcar system; SACOG continued to be contracted with by the parties to provide staffing and project management, as well as maintain the project sponsorship role.

In 2014, the Downtown Riverfront Streetcar project received FTA approval to enter Project Development as a Small Starts Project, and subsequently the project's original scope was environmentally cleared, designed and issued for bid in November 2018. Bids that were received for construction in January 2019, came in higher than expected, and the project as designed was deemed financially infeasible.

Since 2019, SacRT, City of Sacramento, City of West Sacramento, and SACOG have worked to identify an amenable project scope, and in March 2022 agreed to support a new alignment (N Street alignment) that achieved the original mobility goals and project objectives, including preservation of the \$50 million appropriated by Congress in 2017 to complete the project. This alignment would connect Sacramento Valley Station (SVS) in Sacramento and Sutter Health Park in West Sacramento, traveling across new track on the

Tower Bridge, along Capitol Mall, south on 3rd Street, and on to N Street; the line would connect into the existing system at 7th and 8th Streets towards SVS, and would include double tracking on N Street from 3rd Street to the 7th/8th Street connection. New stations would be constructed at Sutter Health Park, Capitol Mall, and a station along N Street.

4. Discussion/Analysis:

While SACOG has remained a supportive partner on the project, governance needs and project roles and responsibilities have changed over the evolution of the project. In 2020, the City of Sacramento City Council authorized the City Manager to dissolve the Riverfront JPA and relinquish ownership of the project to SacRT. The City of West Sacramento took a similar action in August 2022. As a result, the ownership of the project has been transferred to SacRT, and there is a need to transfer the FTA sponsorship of the project from SACOG to SacRT.

The City of West Sacramento and City of Sacramento have recently entered into additional agreements that identify funding partnerships and strategies to continue project design and move the project forward. SACOG has no existing agreements with either city or SacRT, and through the project sponsorship change with FTA, will end any formal involvement in the streetcar project.

5. Fiscal Impact/Grant Information:

There is no fiscal impact associated with this action item. SACOG's costs prior to this action have all been reimbursed by the partner agencies.

6. This staff report aligns with the following SACOG Work Plan Objectives: