

**Silicon Valley Berryessa Extension Project**  
**San Jose, California**  
**Preliminary Engineering**  
**(Based upon information received by FTA in November 2010)**

<b>Summary Description</b>	
<b>Proposed Project:</b>	Heavy Rail Transit 10.2 Miles, 2 Stations
<b>Total Capital Cost (\$YOE):</b>	\$2,562.93 Million (Includes \$417.9 million in finance charges)
<b>Section 5309 New Starts Share (\$YOE):</b>	\$900.00 Million (35.1%)
<b>Annual Forecast Year Operating Cost:</b>	\$60.01 Million
<b>Ridership Forecast (2035):</b>	46,700 Average Weekday Boardings 13,000 Daily New Riders
<b>Opening Year Ridership Forecast (2018):</b>	22,500 Average Weekday Boardings
<b>Overall Project Rating:</b>	Medium
<b>Project Justification Rating:</b>	Medium
<b>Local Financial Commitment Rating:</b>	Medium

**Project Description:** The Santa Clara Valley Transportation Authority (VTA) proposes to build an extension of the Bay Area Rapid Transit (BART) heavy rail system from Fremont to Berryessa Road in San Jose. The Silicon Valley Berryessa Extension (SVBX) project would be built on former Union Pacific freight railroad right-of-way, linking the future Warm Springs BART station in Fremont (currently under construction) to Berryessa with an intermediate station adjacent to the existing VTA Montague light rail station in Milpitas. SVBX would be a two-track, third rail powered, exclusive guideway heavy rail system operating under automatic train control. The project scope includes the purchase of 40 new BART passenger cars for operation on the extension and improvements to the existing BART-Hayward rail car storage and maintenance yard. This extension of the BART system would provide a direct rapid transit connection between Santa Clara County and San Mateo, San Francisco, Contra Costa and Alameda counties.

**Project Purpose:** SVBX is intended to provide increased transit access to and from Santa Clara County employment and activity centers for residents of Santa Clara County and the greater San Francisco Bay Area. Regional transit connectivity would be improved by extending and interconnecting BART with VTA light rail and other existing transit services in Santa Clara County. Rapid transit service in the SVBX corridor would provide an improved travel alternative to Interstates 880 and 680 between Alameda and Santa Clara counties, both of which are experiencing severe and worsening congestion.

**Project Development History, Status and Next Steps:** In November 2000, Santa Clara County voters approved a 30-year one-half cent sales tax to raise funds for extension of BART from Fremont to San Jose. In 2001, VTA conducted a Major Investment Study/Alternatives Analysis (MIS/AA) for a 16-mile Silicon Valley Rapid Transit Corridor (SVRTC) that would extend BART from Warm Springs (a new BART station currently under construction in Fremont) through Milpitas to San Jose and Santa Clara. In 2007, due to concerns about funding availability for the entire SVRTC project, VTA added the shorter 10-mile SVBX alternative for examination in the Draft Environmental Impact Statement.

On July 23, 2008, the Metropolitan Transportation Commission approved the SVRTC, including the SVBX project, into the financially constrained long range transportation plan. In November 2008, Santa Clara voters approved an additional one-eighth cent sales tax for operation of the SVRTC. Collection of this tax is dependent on execution of a Full Funding Grant Agreement for the project.

FTA approved the SVBX into preliminary engineering in December 2009. A Final Environmental Impact Statement was completed and a Record of Decision for the project was issued in June 2010. The project is expected to enter final design in early 2011. VTA expects to begin construction on the project in early 2012, and begin revenue operations in mid-2018.

<b>Locally Proposed Financial Plan</b>		
<b><u>Source of Funds</u></b>	<b><u>Total Funds (\$million)</u></b>	<b><u>Percent of Total</u></b>
<b>Federal:</b> Section 5309 New Starts	\$900.00	35.1%
<b>State:</b> Transportation Congestion Relief Program (Gasoline Tax)	\$250.97	9.8%
<b>Local:</b> Measure A (1/2-cent Sales Tax)	\$1,411.96	55.1%
<b>Total:</b>	<b>\$2,562.93</b>	<b>100.0%</b>

**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 Jose, Silicon Valley Berryessa Extension Project  
FY2012 Financial Assessment Summary prepared November 2010**

<b>Factor</b>	<b>Rating</b>	<b>Comments</b>
<b>Local Financial Commitment Rating</b>	<b>Medium</b>	
<b>Non-Section 5309 New Starts Share (20% of summary financial rating)</b>	<b>Medium-High</b>	The New Starts share of the project is 35.1 percent.
<b>Project Capital Financial Plan (50% of summary financial rating)</b>	<b>Medium</b>	
Capital Condition (25% of capital plan rating)	Medium	The average age of VTA's bus fleet is 9.1 years, which is older than the industry average.  The most recent bond ratings, issued in June 2010, are as follows: Moody's Investors Service Aa2, Fitch's AA, and Standard & Poor's Corporation AA+.
Commitment of Funds (25% of capital plan rating)	High	All (100 percent) of the non-Section 5309 New Starts funds are committed. Sources of funds include current revenues from the Measure A local sales tax, debt secured by the Measure A tax, and State of California Traffic Congestion Relief Program funds.
Capital Cost Estimates, Assumptions and Financial Capacity (50% of capital plan rating)	Medium-Low	Revenue assumptions are slightly optimistic compared to historical data for Federal Fixed Guideway Modernization funds and sales tax revenues.  The capital cost estimate of the project is considered reasonable for the current level of project development.  VTA has the financial capacity to cover cost increases or funding shortfalls equal to at least 10 percent of estimated project costs.
<b>Project Operating Financial Plan (30% of summary financial rating)</b>	<b>Medium</b>	
Operating Condition (25% of operating plan rating)	Medium	VTA's ratio of current assets to current liabilities as reported in its most recent audited financial statement is 2.6. However, VTA has incurred operating deficits the past two years, and has reduced service and increased fares, among other actions, to bring revenues and expenses into balance.

Commitment of Funds (25% of operating plan rating)	High	More than 96 percent of operating funding is committed, while the remainder is planned. Funding sources include sales tax revenues, operating assistance from the State of California, and passenger revenues.
O&M Cost Estimates, Assumptions, and Financial Capacity (50% of operating plan rating)	Medium-Low	Assumed growth in operating expenses is appropriate compared to historical experience. Assumed farebox collections and sales tax revenues are optimistic compared with historical experience.

# Silicon Valley Berryessa Extension

San Jose, California

Preliminary Engineering

(Land Use and Economic Development Rating based upon Information accepted by FTA in November 2010)

## **LAND USE RATING: Medium-Low**

The land use rating reflects the population and employment densities within ½-mile of proposed station areas:

- In 2005, station area population density was 4,279 persons per square mile. In 2005, station area employment was 10,634 and the San Francisco Central Business District (CBD) employment was 287,248.
- Existing land use consists of industrial, parking, low-density residential, the Great Mall and the San Jose Flea Market. There are a few areas with high residential density. Neither station area is pedestrian friendly due to high volume roads, noise, discontinuous or nonexistent sidewalks and a general lack of pedestrian amenities. There appears to be an ample supply of free parking.

## **ECONOMIC DEVELOPMENT RATING: Medium-High**

### **Transit-Supportive Plans and Policies: Medium-High**

(50 percent of Economic Development Rating)

- BART has adopted strong policies tying rail system expansion to transit supportive land use policies. Adopted in 1999, and updated in 2003, the policies encourage transit oriented development (TOD) around existing and proposed rail stations. Other board policy statements have expressed an advocacy role for BART in promoting region wide transit supportive initiatives. Several BART plans and policies complement the regional plans and policies.
- The *Silicon Valley Rapid Transit SVRT Station Areas Vision Plan* (VTA 2008) was developed with participation from cities, local officials, and community members to create a shared vision that accommodates BART station facilities and supporting TOD plans. The *Santa Clara General Plan—Charting a Course for Santa Clara County's Future: 1995-2010*, The City of Milpitas General Plan (April 2002 update), and a general plan update entitled *Envision San Jose 2040* all support development in the corridor and station areas. VTA is required, and continues, to plan and design consistent with BART Facilities Standards.
- The San Jose General Plan allows for establishing TOD corridors and BART station area nodes. TOD is to be promoted in designated special strategy areas, which typically are centered on exiting or planned light rail, major bus, and BART stations. The plan identifies Berryessa, Santa Clara Street/28th Street (near the proposed Alum Rock BART Station), and downtown San Jose as BART station nodes. The purpose of designating BART station nodes well in advance of any approval of an extension is to direct transit-oriented and pedestrian friendly development near stations. Development types can range from high density residential to mixed-use to high intensity office/commercial. The greatest densities should be adjacent to a station, with overall TOD densities at minimum 20 units per acre and 55 units per acre if possible. The Milpitas General Plan also designates TOD Overlay Zones.
- MTC administers discretionary grant programs that support local governments in developing housing near transit stations and conducting station-area planning efforts. The program awarded \$750,000 in 2008 for a study of the San Jose Diridon Station area, which would initially be connected to the SVBX by Bus Rapid Transit service and may eventually be served directly as part of a later extension of the SVBX.

### **Performance and Impacts of Policies: Medium-High**

(50 percent of Economic Development Rating)

- More than 7,437 transit oriented development housing units have been constructed between 1990 and 2009 within the SVBX corridor along designated transit routes and identified transit nodes.
- Within the SVBX corridor, approximately 2,700 residential units, 415,000 square feet of office space, and 239,000 square feet of retail space could be built near the Milpitas Station; and 2,900 residential units, 180,000 square feet of office space, and 93,000 square feet of retail space could be built near the Berryessa Station. Thus far, development has advanced more rapidly near Milpitas Station, though redevelopment plans have been approved for a large tract near Berryessa Station.

# BART Silicon Valley Extension

## Santa Clara County, California

