

# Officials travel to Portland to study streetcar effectiveness

West Sacramento and Sacramento representatives hope system could spur cities' redevelopment

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PORTLAND, Ore. — Along the Willamette River, three high-rise towers have sprouted in the past year and a fourth is in mid-climb in a formerly derelict industrial district known as the South Waterfront.

Even though it's largely cut off from the rest of Portland by Interstate 5 and a ring of majestic bluffs, the South Waterfront is booming. Locals say the reason is the city's streetcar system, which opened a new loop past the residential towers in August.

**'That's what's really going to be the thing — how do you pay for this?'**

Mark Johannessen  
City Councilman, West  
Sacramento

Officials here want to know whether streetcars will work as well in Sacramento as they have in Portland — the kind of progressive transit town where drivers share "flexcars" when public transit doesn't get the job done.

A junket of Sacramento and West Sacramento officials toured Portland last week via mass transit, using all-day passes to segue easily from the airport light-rail line to the 7.2-mile streetcar loop, hopping on and off at points of interest. They found brownfields that bear striking resemblance to areas of Sacramento but are experiencing radical transformation through redevelopment.

They also noted significant challenges they would face in emulating Portland's success.

## TRANSFORMING, BUT HOW TO PAY?

Streetcars are credited not with aiding development in



CATHY CHENEY | PORTLAND BUSINESS JOURNAL

Portland's streetcars have helped fuel redevelopment, but Sacramento area officials say financing would be a problem here.

downtown Portland, but with creating it — foot-traffic studies showed an increase from three pedestrians per hour in one section of town to 938, attributable to the system.

"Is it a better connecting alternative to more light rail and how does it really work?" asked David Spaur, Sacramento's economic development director, as he waited to board the next car. "It looks like it works better than light rail for short distances."

Charlie Hales is a former Portland city commissioner in charge of transportation, an architect of the Portland system and now the manager of the Sacramento-West Sacramento project as a vice president for engineering firm HDR Inc. Hales says Portland's streetcars were

launched without a solid plan for funding while facing opposition from Portland's transit agency, which thought they threatened the existing light-rail system.

"It wasn't our only strategy, but it was the keystone of a set of strategies to bring the type of development we wanted," Hales said while showing a group the massive developments — grocers, bookstores, five-story underground parking complexes — that have sprouted since the streetcar system opened in 2001. "We didn't know it would work this well." It's been so successful that the system has been expanded five times since cars started running.

Portland's streetcars aren't anything like the 19th

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## PORTLAND | One crucial question would be how to finance construction of a local system

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century coaches that were once such an integral part of work-a-day city life, but instead resemble light-rail trains. A key misunderstanding, Hales said, is how differently the streetcars function from light rail. Unlike light rail, the system isn't designed to move commuters in and out of downtown, but to circulate traffic within. The cost is \$25 million to \$30 million a mile, about half that of light rail, Hales said.

There are tantalizing parallels between Portland and Sacramento that officials say bode well for a streetcar system here. There's the South Waterfront itself, for one, a brownfield site that a year ago was reminiscent of West Sacramento's "Triangle" district, where developers want to build high-density housing, offices and shops. Then there is the Pearl District. A decade ago, it was a rallyard like the one in downtown Sacramento. Today, it's a vibrant mixed-use neighborhood with restaurants, mid-rise residential buildings and character, whose success is chalked up to the streetcars running through the heart of the district.

The chief hurdle here is paying for the proposed first leg, a \$50 million, 2.2-mile line from West Sacramento City Hall to the

Sacramento Convention Center. There are hopes for an expanded system that would drive redevelopment throughout the metropolitan area.

"That's what's really going to be the thing — how do you pay for this?" West Sacramento City Councilman Mark Johannessen said.

### WELL, HOW?

Portland initially funded its system through increased parking fees, a tax increment finance district and an assessment district covering businesses within the streetcar zone. There's been so much development that assessments now play a much greater role in funding the system, Hales said.

There's even funding through advertising. As the train looped through northwest Portland, a computerized feminine voice informed riders that the next stop was sponsored by Legacy Good Samaritan Hospital. Another was sponsored by a brew pub. The junket erupted when the next sponsor announced was HDR, the consultant studying streetcar viability in Sacramento and a dozen other cities.

In Sacramento, a large burden would fall to developers.

Dan Ramos, of Ramco Enterprises in West Sacramento, said developers can't

shoulder all the burdens placed on them by the city of West Sacramento, including affordable-housing requirements and parking set-asides, while simultaneously funding a streetcar.

"It would do an awful lot for The Triangle area," Ramos said of a streetcar system. "We're very open to the idea. It is the financial thing that will be tough. There is definitely a trade-off." Ramos has two tracts within The Triangle that could benefit from streetcars, he said.

Hales dismisses federal funding as a likely initial source, calling it time-consuming and uncertain because transportation funds are generally awarded to light-rail systems that reduce driving miles more than streetcars do.

As the study of streetcars in Sacramento moves forward, significant differences between the two metro areas warrant further analysis, officials said.

"We are at a critical juncture to do something with the streetcar," said Oscar Villegas, a West Sacramento City Council member. "The key is that it has to provide intrinsic value to landowners that they can see."

Housing price drops and unsold inventory that have hit Sacramento and the rest of the nation haven't affected Portland nearly as severely. Residential high-rise

towers abound, so the city has a built-in population of downtown residents who need streetcars in a way that Sacramento doesn't, at least not yet.

Portland's streetcar system also has a large free-ride zone, which encompasses most of downtown. Portland State University students ride uptown to coffee shops, while business men and women hop on to reach their lunch appointments.

No free-ride zone is being considered for the Sacramento system.

"There's a lot more money here, a lot more people," Johannessen said while strolling along Portland's streets. "They don't have the risk for developers that we have. What we've got is unproven. We're starting on the ground floor."

But unlike in Portland, essential players support the effort from inception. The cities, Yolo County Transportation District, Sacramento Regional Transit District and developers are working together to make the system a reality.

Still, Portland's success isn't viewed as a guarantee for Greater Sacramento.

Spaur asked: "Are you coming to the right city to compare with Sacramento?"

It was a rhetorical question, but one that might eventually require an answer.