TRANSBAY PROGRAM

DELIVERING ON THE VISION
TRANSBAY'S DRAMATIC EVOLUTION

Through a bold vision, political will, community support, and collaboration between public sector stakeholders, the Transbay Program has reached a major milestone: the opening of the new Salesforce Transit Center.

A catalyst for the development of millions of square feet of office space, thousands of residential units, acres of new parks, tens of thousands of jobs, and a vibrant new neighborhood in downtown San Francisco, the Center takes its place in a new generation of multimodal transit centers in Paris, New York, London, Berlin, and Tokyo.

The coming years will see the completion of Phase 2, bringing commuter and high-speed rail service into the Center, strengthening the regional economy and enhancing the Bay Area’s position in the global economy.
In its 2018 Global Cities Outlook, A.T. Kearney ranks San Francisco first in the world in innovation. Driven by the success of Silicon Valley, San Francisco and the surrounding communities are now in the top 10 regions in the world for business productivity, with more of the fastest growing companies than any other region in the United States.

Within the next 50 years, the region’s population is expected to increase by nearly half.

"San Francisco holds on to the top position in the Global Cities Outlook, followed by New York, London and Paris. Driven by high-growth companies in Silicon Valley, San Francisco continues to excel in innovation..."  
A.T. Kearney  
2018 Global Cities Report

Mobility—connecting people with employment in transit-rich urban centers—is a key ingredient to the success of the most dynamic cities. Like multimodal mega transit developments in New York, London, Berlin and Tokyo, the Transbay Program is integrating multiple regional transit systems and enhancing mobility for millions who work in San Francisco and urban centers throughout the Bay Area.

Phase 2 of the Program will bring regional and statewide high-speed trains into downtown San Francisco, creating seamless connections between the region’s economic engines—San Francisco and Silicon Valley, Southern California, and the expanding workforce that is vital to continued economic growth.
The 2005 Transbay Redevelopment Plan and the 2012 Transit Center District Plan have enabled the creation of one of the nation’s most dynamic mixed-use transit-oriented neighborhoods. The District Plan allowed the addition of several high-rise buildings, while the Redevelopment Plan repurposed underused State-owned properties to create thousands of new housing units, a third of them affordable to low and moderate income households.

Strong employment gains and the concentration of technology companies in downtown San Francisco have fueled the growth of the real estate market. The number of planned housing units has grown by over 25 percent in the past two years. The Transbay neighborhood, including nearby Rincon Hill, is at the forefront of this transformation, with 8,000 new homes, 7 million square feet of commercial development, a retail boulevard on Folsom Street, and 11 acres of neighborhood parks.
Today, in breaking ground on the Transbay Transit Center, we are opening a new chapter in that history of progress. We are coming together to create jobs and revitalize our economy; to make San Francisco, once again, a national model for economic development.

Nancy Pelosi, August 11, 2010
(then Speaker of the U.S. House of Representatives)

TJPA’s partnership with some of the world’s leading management, architecture, engineering, and construction companies has engaged a diverse workforce and benefited thousands of small businesses, workers, veterans and students, helping them thrive and become tomorrow’s leaders. We are delighted to have been a part of this remarkable success story.

Mike Burke, Chairman and CEO, AECOM, TJPA’s Program Management Consultant, 2018

A marvel of architecture, artistic expression, and sustainability, the Salesforce Transit Center is among a handful of new transit mega projects in the world, including the new World Trade Center Transit Hub in New York, Berlin’s Hauptbahnhof, Grand Paris, Tokyo’s Station City, and London’s Canary Wharf station. Like these projects, the Center is much more than a transit station. Its five-acre rooftop park, programmed public spaces, public art program, and unique design elements engage everyone who passes through the Center.

The building’s striking design uses sustainable technologies such as natural light and ventilation, passive heating and cooling, and a rooftop park with vistas that rival those of New York’s High Line.

TJPA engaged industry leaders to realize the vision for the nearly four-block-long structure, from planning and program management through design, engineering and construction. Together, the team has employed more than 25,000 workers and generated more than five million construction hours on the project.

The Transbay Program Team
Owner/Operator: Transbay Joint Powers Authority
Program Manager: AECOM (URS)
Construction Manager: Turner Construction Company
Contractor: Webcor/Obayashi Joint Venture
Architect: Pelli Clarke Pelli Architects
Transbay Public Art Program: San Francisco Arts Commission

A WORLD CLASS PROJECT

Canary Wharf, London, UK
WTC PATH Transportation Hub, New York, NY
ECONOMIC IMPACT
Many economic benefits flow from the Transbay Program

Jobs
125,000
new jobs directly and indirectly related to the Transbay Program
14,000
local jobs for the Transbay Program
25,000
new construction jobs in the district
80,000
high-income workers in the district; 50% of them in professional services, insurance, finance and technology

Workforce Engagement:
More than 40 percent of the Program’s contracts have been awarded to local small and disadvantaged businesses. Women make up half of Transbay’s program management team. Scores of veterans and apprentices have worked on the Center. The TJPA’s Project Labor Agreement promotes collaboration and cooperation among the trade unions and led to the reintroduction of a multiyear shop curriculum into the public schools to prepare local high school graduates for professional apprenticeship programs.

The Transbay Program has generated jobs and revenue for companies throughout the United States. This map shows how far-reaching the benefits of the project have been for state and local economies across the nation.

14,000
local jobs for the Transbay Program

27,000
permanent jobs to operate and maintain the transit center, the Downtown Rail Extension (DTX) and surrounding developments, once Phase 2 is completed

$3.9
billion increase in private property values (about 5%)

$87
billion in Gross Regional Product through 2030

National Benefits
The benefits of having good connectivity to the rest of the region...get capitalized into the market value of land....Where market conditions are conducive and pro-development policies are in place...land-value impacts can be substantial.

Robert Cervero, Professor of City and Regional Planning, University of California, Berkeley, 2003

$9
billion in new development on private properties and $4 billion on formerly state-owned properties

180,000
jobs within a half a mile of the Center

125,000
new jobs directly and indirectly related to the Transbay Program

25,000
new construction jobs in the district

The Bay Area region will also benefit from reduced travel times, better human and environmental health, an expanded labor market, new jobs, and increased economic output...up to $87 billion in Gross Regional Product and $82 billion in personal income through 2030.

Transbay Transit Center: Key Investment in San Francisco’s Future as a World Class City

TOTAL JOBS CREATED
LOCAL: 14,369 *
BEYOND SF BAY AREA: 6,158
*JOBS CREATED IN THE SAN FRANCISCO BAY AREA FROM DEMOLITION OF THE OLD TRANSBAY TERMINAL, CONSTRUCTION OF THE TEMPORARY TERMINAL, TRANSIT CENTER, AND BUS RAMP.
The new transit center and its new transit-oriented community bring a myriad of environmental and health benefits.

**THE TRANSIT CENTER: A MODEL OF SUSTAINABILITY**

The LEED Gold designed building incorporates many sustainability features, the most visible and dramatic of which are the rooftop ecological park and the light column.

**Benefits of the Living Roof.**
Salesforce Park is a 5.4-acre botanical garden that moderates the building’s interior temperature, improves the air quality of the neighborhood, and manages stormwater.

**Natural Lighting.** Skylights and a central light column direct natural light from the park level over 100 feet down to the lower levels of the building, reducing energy consumption to 40% below industry standards.

**Geothermal System.** A massive heat exchange system cools water passively, saving energy and reducing water use by 350,000 gallons per year, a 60% improvement over industry standards.

**Natural Ventilation.** A natural ventilation system is designed to take advantage of San Francisco’s climate by using cool nighttime air to reduce daytime cooling needs.

**Recycling.** The center supports the City’s recycling goal of 75% diversion and eventually zero waste by providing three-stream waste separation that includes compost and recyclables.

**Lower Greenhouse Gas (GHG) Emissions.** A dedicated area for bus parking during off-peak times will keep empty buses off the road, reducing GHG emissions by 2.3 million pounds per year. The integration of commuter and high-speed train service during Phase 2 will shift people from cars to trains and cut GHG emissions by over 6 million tons.

**Direct Health Benefits.** According to the American Public Transportation Association, people who live and work in communities with high-quality transit are more physically active, have better mental health, and have better access to healthy foods and medical care. They rely more on walking and cycling, which increases cardiovascular activity and reduces their risk of automobile-related injuries and fatalities.

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**ENVIRONMENTAL STEWARDSHIP**

The Transit Center has been an ambitious program of green design and technology, including one of the world’s largest geothermal heating and cooling systems in addition to a comprehensive water retention and recycling program.

Pelli Clarke Pelli Architects, “Humanizing Infrastructure: How Large-Scale Transit-Based Urban Design can Contribute to a Vibrant City,” 2018

Improving public transit can be one of the most cost-effective ways to achieve public health objectives, and public health improvements are among the largest benefits provided by high quality public transit and transit oriented development. Todd Litman, Victoria Transport Policy Institute, 2010
Funding and financing the $6 billion Transbay Program is a story of ingenuity and a model of how partnerships between agencies and stakeholders can leverage many opportunities, from state land transfers to federal grants and special tax assessments. These are some of the innovative approaches that made the completion of Phase 1 possible:

**Land Sales – $670 million.** Through a landmark agreement, 12 acres of state-owned land were transferred to the TJPA and the City. Their sale to developers beginning in 2013 was timed to coincide with the economic recovery, bringing top market value.

**TRANSBAY REDEVELOPMENT PLAN & TRANSIT CENTER DISTRICT PLAN**

The District Plan allows the development of a number of very tall, high-density buildings. The resulting “upzoned” developments are subject to special taxes as part of a tax district called a Mello-Roos Community Facilities District (CFD). The Redevelopment Plan rezoned underused state land, which was sold, creating a new tax increment revenue stream. Both sources are providing significant funding for the Program:

- **Mello-Roos Assessments** – over $600 million between now and 2025.
- **Tax Increments** – $1.2 billion from 2005 to 2050.

**Community Benefit District (CBD)***

The East Cut CBD, an organization of property owners, manages special assessment funds, which will pay for 80% of the cost of maintaining the rooftop park.

**Federal Stimulus Funds**

The TJPA worked with federal leaders to compete for federal stimulus funding, receiving $400 million to begin construction of the below-grade train box in 2010, earlier than planned.

**A Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan of $171 million was secured to help finance the construction of Phase 1 and will be repaid by net tax increments through 2050.**

**Bridge Financing**

The TJPA obtained a bridge loan to certify construction contracts and meet cash flow requirements while working to satisfy conditions needed to draw on the TIFIA loan. The bridge loan was paid off with land sales proceeds.

**City Financing**

The City, in partnership with the Metropolitan Transportation Commission, is providing interim financing to complete Phase 1. Net tax increment and CFD bond proceeds will be used to repay the loan.

**Naming Rights Agreement**

The 25-year, $110 million agreement provides significant funding for operations and gives salesforce.com the right to name the Center, the park and the amphitheater. The TJPA remains the owner and operator of the Center, which is wholly public and open to everyone.

**The Transbay Transit Center will be a nationally renowned, 21st Century transportation hub that will serve our growing City and the region for generations. It is an investment in our infrastructure, in good paying construction jobs and in the future of transportation in the San Francisco Bay Area.**

Mayor Ed Lee, April 2016

Now transport oriented development often involves a value capture element. Private developers are contributing to the cost of the new Transit Center, in the knowledge that their building will be more valuable because the area where it is located is becoming more vibrant — and will have first class transport connections to virtually every part of the Bay Area.

Paul Fletcher, Australia’s Minister of Urban Infrastructure and Cities, 2017 Urban Development Summit

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