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For Immediate Release

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The Board of Directors of the Sonoma-Marín Area Rail Transit District (SMART) unanimously approved Option, Purchase and Sale agreements with the developers of a mixed-use transit-oriented development project slated for Santa Rosa's Railroad Square at yesterday's Board meeting.

The agreements with New Railroad Square LLC and Santa Rosa Cannery LLC represent a significant step toward revitalization of a key piece of property in the heart of Santa Rosa. The development of 5.3 acres owned by SMART across the tracks from the historic downtown train depot, along with the adjacent cannery building along Santa Rosa Creek, will make this a lively destination for the SMART rail project as well as a new center of commerce and culture for the SMART District's largest city.

"Today's vote by the SMART Board, combined with the confidence that the voters of Marin and Sonoma counties demonstrated in passing Measure Q on Nov. 4 are the two most important milestones in the history of the Railroad Square project," said Michael Dieden of New Railroad Square LLC. "These two actions now allow us to be very competitive as we pursue the public financing sources necessary to keep the project on schedule."

Under the terms of the deal, the developers will pursue a project that includes 186 units of housing ranging from affordable apartments to luxury townhomes on the SMART property, 93 condominium units in the Cannery building, a 263-space parking structure, 44,000 square feet of office space and 44,000 square feet of retail space for restaurants, shops and a food and wine marketplace. The design by renowned architect Dan Solomon honors the historic block pattern and includes a public plaza.

Today's agreements give the developers the legal option to buy the property from SMART. The option to buy property for the first phase of the project includes office, retail and apartment space and must be exercised by 2016. The option for phase two must be exercised by 2017. The agreements require the developers to submit their complete development application to the City of Santa Rosa within the next two years. Dieden said his plan is to break ground on Phase 1 in 2010.

"At the culmination of four years of hard work, it's an absolute pleasure to approve the Railroad Square project with New Railroad Square LLC. I also want to commend the John Stewart Company for their perseverance as well as the citizens of Santa Rosa, along with SMART Board members Debora Fudge and Al Boro for all their hard work in pulling the deal together in such a way that it remained aligned with the original values we laid out in 2005. It's a win-win project with good social and environmental benefits" said Board Chair Charles McGlashan.

Board Vice Chair Debora Fudge added: "This transit oriented development sets a high standard for future smart growth in the north bay. It will be a green development with LEED Silver Certification and a Community Benefits Agreement. This project is a result of a great deal of community input and it will be a sparkling diamond along in the rail line."

SMART will operate a 70-mile passenger train and pathway project from Cloverdale to Larkspur, connecting 14 stations including the historic Santa Rosa Depot in Railroad Square. Funding for the construction and operation of the project was approved Nov. 4 by voters in Marin and Sonoma Counties, who supported a quarter-percent sales tax increase with 69.6 percent of the vote. Passenger train service is expected to begin in 2014.