

Agenda Report

TO: CITY COUNCIL October 28, 2002

THROUGH: FINANCE COMMITTEE

FROM: CITY MANAGER

SUBJECT: Proposed Service Changes To The Pasadena Area Rapid Transit System (ARTS)
To Increase Service Hours and Add Two New Routes

RECOMMENDATION

It is recommended that the City Council approve the recommendations made in the October 7, 2002, report with revisions to recommendation #3 is as follows:

3. Phase the reallocation of Proposition A and C monies from the Student Bus Pass Program over a three year period as follows to allow the School District to adjust their program:
 - a. For School-Year 2002-2003, the appropriation of \$200,000 approved by the City Council in the adopted budget will remain in place;
 - b. For School-Year 2003-2004, the amount allocated by the City will be lowered to \$100,000 with the funding difference of \$100,000 to be funded by a one-time allocation from the Light Rail Reserve.
 - c. For School-Year 2004-2005, the allocation will be completely phased out.
 - d. During this two-year transition period staff will work with PUSD to restructure their program so that students of financial need will continue to receive a bus pass at no cost. In addition, in response to the School Board's request that the City consider providing a student fare on the ARTS buses, staff will work with the Transportation Advisory Commission to evaluate this alternative and will make recommendations to City Council.

BACKGROUND

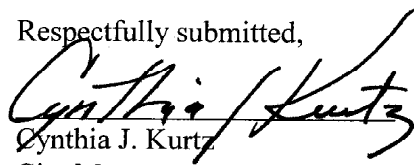
At the October 7, 2002, City Council meeting, action on the agenda item regarding proposed service changes to the Pasadena Area Rapid Transit System (ARTS) was delayed. The delay was requested to allow staff to meet with representatives of the Pasadena Unified School District relative to the proposed recommendation to reallocate \$200,000 that currently funds a PUSD student bus pass subsidy program, to the ARTS program.

Staff held several meetings with District staff and developed the recommended action with their input. District staff reviewed the matter with the PUSD Board at their October 22, 2002, meeting. At this meeting the Board requested that the City consider providing a student fare. The Transportation Advisory Commission has worked closely with staff to develop the proposed fare structure. The Board's request will be reviewed with TAC and recommendations will be included in the report brought to Council as part of the public hearing to amend the General Fee Schedule.

FISCAL IMPACT

Sufficient funding is available in the Light Rail Reserves for Future Projects (Prop A) to fund the \$100,000 in Fiscal-Year 2003-2004.

Respectfully submitted,




Cynthia J. Kurtz
City Manager

Prepared by:

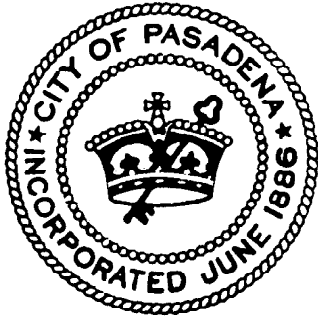


Cathi Cole, Transit Manager

Approved by:



Frances Banerjee, Interim Director
Department of Transportation



Agenda Report

TO: CITY COUNCIL

October 7, 2002

THROUGH: FINANCE COMMITTEE

FROM: CITY MANAGER

SUBJECT: Proposed Service Changes To The Pasadena Area Rapid Transit System (ARTS)
To Increase Service Hours And Add Two New Routes

RECOMMENDATION

It is recommended that the City Council:

1. Approve service enhancements that will provide additional ARTS services for the opening of the Pasadena Gold Line Light Rail in July 2003 as follows:
 - a. Begin weekday morning service on Route 10 at 7:00 AM (3,100 annual hours)
 - b. Extend evening service on Route 40 from 6:00 PM until 8:00 PM (1,000 annual hours)
 - c. Add Route 50 during the weekdays (5,000 annual hours)
 - d. Add Route 90 during morning and evening peak hours (2,500 annual hours)
2. Approve a passenger fare structure that is estimated to generate \$617,000 annually and:
 - a. Base fare of 50 cents
 - b. Senior and Disabled fare of 25 cents
 - c. Up to two children 5 years and younger free when accompanied by a fare paying adult
 - d. Free Local (ARTS bus to ARTS bus) Transfers free
 - e. Inter-Agency (ARTS to MTA or Foothill) 25 cents
3. Reallocate \$200,000 in Proposition A and C monies currently allocated for the Pasadena Unified School District Student Bus Pass Program (from Accounts 8114-209-763309 and 8114-208-763308 to Account 8114-209-763323).
4. Appropriate funds from the Light Rail Reserve (Prop C Fund 209) to cover operating deficits of approximately \$152,000 until revenue from developer fees begin (Plaza Las Fuentes Phase II developer fees estimated at \$100,000 annually, and other development related funds).

10/28/2002

3.A.

MEETING OF ~~10/7/2002~~ 10/14/2002-

AGENDA ITEM NO. ~~5-B-1-ITEM 8-~~

5. Schedule a public hearing to amend the General Fee Schedule so that these recommended changes to ARTS service hours and routes can be implemented immediately prior to the opening of the Pasadena Gold Line Light Rail in July 2003.

RECOMMENDATION FROM THE TRANSPORTATION ADVISORY COMMISSION

On August 28, 2002, the Transportation Advisory Commission approved a motion to recommend to the City Council an increase in service, the implementation of a passenger fare, and other revenue strategies. TAC asked to clarify that child five and under could ride free with a senior or disabled fare adult as well as a base fare adult and staff concurred. These recommendations are the same as the recommendations made above.

EXECUTIVE SUMMARY

The Transportation Advisory Commission (TAC) has recommended an interim-operating plan for an expansion of the Pasadena Area Rapid Transit System (ARTS) that will increase service coverage from four routes to six routes and increase the hours of service on two existing routes. The annual cost to operate the new service is estimated to be \$901,000. TAC has reviewed a number of options for funding the proposed service expansion and has determined that a passenger fare, in conjunction with several other minor revenue sources, is the most feasible means to generate the revenue necessary to meet projected expenses. This report examines the various service plan alternatives and potential funding sources reviewed by TAC.

BACKGROUND

On June 3, 2002, the City Council directed the Department of Transportation to work with the Transportation Advisory Commission to develop a plan to enhance service for the Pasadena ARTS that can be in place for the July 2003 opening of the Pasadena Gold Line Light Rail Line. On July 30, 2002, TAC met to review and discuss various service alternatives and revenue options developed by the Department. Public comment on the service and revenue proposals was received at the meeting. On August 28 TAC met to review service and revenue proposals, public comments, and staff's recommendations.

Recommended Service Plan

Begin Route 10 weekday service at 7 AM – Currently service on Route 10 begins at 11:00 a.m., the proposed schedule change will improve service connections in the downtown area.

Extend weekday service on Route 40 to 8 PM – Currently service on Route 40 ends at approximately 6:00 p.m.. This proposed change will improve commuter service.

Implement Route 50 during the weekdays – This is a new route intended to link the Linda Vista area with Gold Line stations and provide a needed link to the Rose Bowl area from the northwest. The new route will also provide increased coverage of important segments of Fair Oaks.

Implement Route 60 during AM and PM peak hours – This is a new route that will provide commuter links to the Sierra Madre Villa station between Altadena Drive on the west and the upper Hasting Ranch area on the east.

Several additional service options were reviewed but not currently recommended for implementation. The primary reason for excluding these service options at this time is the lack of identified funding to operate them.

Proposed Funding Plan

The estimated annual cost for the proposed service enhancements is \$901,000. In addition there will be a first year start-up cost of \$68,000 to cover expenses for printed materials, bus stop signage and the purchase of fare collection equipment. To fund these expenses various new revenue sources were reviewed and discussed. The following sources have been recommended for the funding plan:

<u>Revenue Source</u>	<u>Estimated Revenue</u>
• Passenger Fares	\$617,000
a. Base fare of 50 cents	
b. Senior and Disabled fare of 25 cents	
c. Up to two children 5 years and younger free when accompanied by a fare paying adult	
d. Free Local (ARTS bus to ARTS bus) Transfers	
e. Inter-Agency (ARTS to MTA or Foothill) 25 cents	
• Reallocation of School Bus Pass Subsidies	\$200,000
• Developer Funds	<u>\$152,000</u>
Total Proposed Revenue	\$969,000

Recommended Revenue Sources

Passenger Fare - The implementation of a passenger fare is one of the most commonly used means to generate funds for transit operation. The users of the system should pay for a portion of the benefit received from the service. The proposed base fare of 50 cents was selected for two reasons: first, the amount of revenue generated will cover a larger portion of the costs than a 25 cent fare; and secondly, with a 50 cent fare, the City will be able to enter into a transfer agreement with MTA. The primary reason for providing increased service is to promote the use of the Light Rail Line; therefore, a transfer agreement with MTA will benefit passengers.

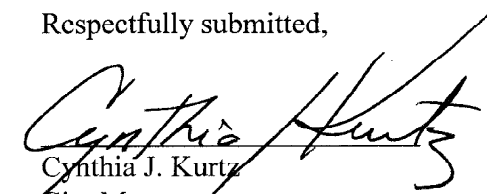
Reallocation of Prop A and C funds from Student Bus Pass Program – Redirection of this program would provide an additional \$200,000 annually for the ARTS expansion. The expanded ARTS program offers alternative transportation options for students.

Developer Funds – The City has entered into agreements with developers that could result in approximately \$100,000 per year in operating revenue over the next 10 years. Additional revenue may be raised when the City completes a study on transit impact development fees. While these fees do not generally offer a steady revenue stream, they will provide a new revenue source.

FISCAL IMPACT

The implementation of the proposed service plan enhancements will cost an estimated \$901,000, with a first year start-up cost of \$68,000. The recommended funding sources will offset these expenses. These sources include the implementation of the proposed fare structure, \$617,000, reallocation of \$200,000 in Proposition A and C funds currently programmed for student bus pass subsidies, and the use of \$152,000 in Light Rail reserves until developer fees become available.


Respectfully submitted,


Cynthia J. Kurtz
City Manager


Prepared by:


Cathi Cole, Transit Manager

Reviewed by:


Bahman Janka, P. E., Administrator

Approved by:


Frances Banerjee, Interim Director
Department of Transportation

List of Attachments:

- Attachment 1: Recommended Service Plan
- Attachment 2: Detail Map of Proposed New Route
- Attachment 3: Map showing the new route structure for the City of Pasadena
- Attachment 4: Detailed Service Plan for the new service
- Attachment 5 and 6: Passenger Fare Comparisons