

Agenda Report

TO: CITY COUNCIL

June 3, 2002

FROM: CITY MANAGER

SUBJECT: PROPOSED SERVICE ENHANCEMENT PLAN FOR THE PASADENA
AREA RAPID TRANSIT SYSTEM (ARTS)

RECOMMENDATION

It is recommended that the City Council:

1. Approve the development of a service enhancement plan that will provide additional ARTS service that can be in place for the opening of the Pasadena Gold Line Light Rail in July 2003.
2. Direct staff to analyze possible funding sources for the ARTS Full Expansion Plan, which, in addition to becoming an included operator, will include: implementation of a passenger fare, allocation of new revenue from city-wide parking meters, developer mitigation fees and potentially a city-wide parking tax.

BACKGROUND

The Transportation Advisory Commission has supported a Full Expansion Plan. The proposed Full Expansion Plan will increase service provided by the Pasadena Area Rapid Transit System (ARTS) from the existing four routes to nine routes, with all bus routes having peak hour frequency of ten minutes and an off-peak hour frequency of no more than thirty minutes. The estimated annual cost for the proposed service plan is \$12.9 million on the low end to \$13.9 million on the high end with an additional \$500,000 required for capital start-up.

Staff supports the approach proposed by TAC and recognizes the desirability of putting the proposed expansion in place as soon as possible. However, staff and TAC recognize that the time and resources may not be sufficient to allow the full implementation of the plan immediately. Accordingly, staff has developed a limited scope one-year plan that can be implemented by July 1, 2003 to facilitate the integration of the Gold Line into the City.

The proposed short-term expansion plan is designed to augment services provided by the MTA and Foothill Transit so that together there will be a level of service needed to encourage transit use to the light rail stations. The proposed Short Range Transit Plan will examine how ARTS

service can best work with the services provided by MTA and Foothill Transit. Three important service improvements are proposed, they include the following:

- Early morning service on the downtown Route 10, from 7:00 a.m. to 11:00 a.m.
- New service on Allen Avenue and Hill Avenue that will, in part, connect Pasadena City College and Cal Tech to the Allen Avenue Station.
- Connections between the Art Center of Design/Linda Vista area and light rail stations at Del Mar and Fillmore.

The estimated annual cost for the short-term expansion service plan is \$3.8 million, with \$250,000 required for capital start-up expenses. This is an increase of approximately \$1.25 million over existing service costs. This plan will need revenue from new sources. Staff has reviewed the sources recommended in the Altmayer study and believes several deserve additional attention. Staff recommends that funds from several new sources be considered: implementation of a passenger fare, allocation of new revenue from parking meters, developer mitigation fees and potentially a city-wide parking tax.

Estimated Annual Operating Expenses		Currently Authorized Funding Sources	Potential Funding Sources					
		<ul style="list-style-type: none"> • Prop A & C Funds • AB2766 Air Quality • General Funds • Bus Shelter contract • PW&P PBC • MTA Incentive 	Council Authority To Enact: • Passenger Fare Estimated		Council Authority To Enact: • Parking Meter Revenue • Developer Fees • Reallocation of School Bus Pass Subsidies		Voter Enacted Proposals: • Parking Tax	
Full Expansion Service Plan	Current Service Plan FY03	Projected Revenues FY03	Low \$25	High \$1.00	Low Est.	High Est.	Low Est.	High Est.
\$13.9 m	\$2.9 m	\$2.9 m	\$0.2 m	\$1.0 m	\$0.2m	\$0.8m	\$0.5 m	\$0.9 m

Passenger Fare - The implementation of a passenger fare is one of the most commonly used means to generate funds for transit operation. The range of potential new funding is \$200,000 to \$1 million based on either a 25-cent fare or a one-dollar fare.

Parking Meter Revenue -- In the future City Council will be considering expanded hours of operation for parking meters in the Old Pasadena area. If the proposal is approved it would increase net revenue by approximately \$370,000 annually. Other cities have opted to use parking revenues for transit improvements and could be considered as a revenue source for Pasadena ARTS.

Developer Fees – The City has frequently asked new development to fund transit capital. The next step is to complete a nexus study that would show the relationship between parking and transit so on-going operations revenue to transit services could be required in-lue of parking when development is on ARTS routes.

Reallocation of Prop A and C funds from Student Bus Pass Program – The consultant working with TAC noted that programs currently funded that may be considered for elimination or adjustment including the Student Bus Pass Subsidy. Although no formal position has been taken, TAC has been supportive of a reduction in funding for the Student Bus Pass Subsidy to Pasadena Unified School District, noting that the overall increased ARTS network would provide better service to more students then the current subsidy. Redirection of this program would provide an additional \$200,000 annually for the ARTS expansion.

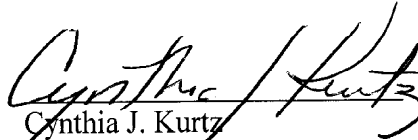
Parking Tax – A city parking tax could be imposed on privately owned garages with revenue dedicated to transit services. A tax on parking could function as an incentive for residents to rely on transit services, reducing congestion and improving transit efficiency. This would require voter approval.

Staff will review the proposed short-term expansion plan with TAC as well as the research on the identified funding sources and return to Council with a recommended revenue plan for the short-term expansion.

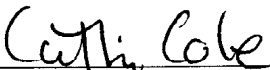
FISCAL IMPACT

The additional cost of the enhanced services needed by June 2003 is \$1.25 million. The total potential revenue from the sources recommended for future study is \$2.7 million for this particular service. Final recommendations will come back to Council for approval.

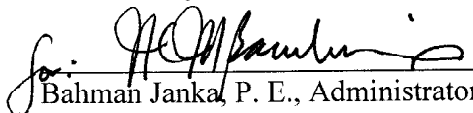
Respectfully submitted,


Cynthia J. Kurtz
City Manager

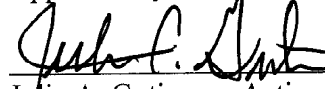
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