

Date: April 7, 2017
Current Meeting: May 4, 2017
Board Meeting: May 4, 2017

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Interim Director - Planning & Program Development, Carolyn M. Gonot

SUBJECT: Next Network Final Plan

Policy-Related Action: No

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Adopt the Final VTA Transit Service Plan.

BACKGROUND:

VTA updates its transit service plan every two years, typically making small adjustments based on rider input and performance data. For the FY18-19 transit service plan, VTA is completely redesigning its transit network in order to connect to BART at Milpitas and Berryessa Stations, increase overall ridership and improve cost-effectiveness. Due to the enormity of the redesign, VTA initiated a community-based planning process, known as Next Network, in early 2016.

Overview of Next Network Process

The Next Network process framed the redesign to balance the competing goals of ridership and coverage that transit agencies are asked to achieve. A five-month long community engagement process in the summer of 2016 yielded over 5,000 points of input and a general desire by the public for VTA to place more emphasis on the ridership goal and less emphasis on the coverage goal for the FY18-19 transit service plan.

In November 2016, the Board of Directors affirmed the community's input and directed staff to develop a service plan that increased the portion of operating funds spent on ridership-purposed services from 70 to 85 percent and decreased coverage-purposed spending from 30 to 15 percent. At the January 2017 Board Meeting, the Board approved the release of an 85/15 Draft Transit

Service Plan. VTA staff then undertook a new round of extensive community engagement in January and February of 2017 to receive input from the community and stakeholders.

After reviewing over 3,000 public comments on the Draft Transit Service Plan, staff developed a Final Transit Service Plan that made 34 changes to the Draft Transit Service Plan, including retaining service to some areas where discontinuances had been proposed such as Almaden Valley, Palo Alto, Cupertino, Saratoga and Campbell, among others. The Final Transit Service Plan employs an 83/17 ridership/coverage balance. What follows is a more in-depth discussion of the process staff engaged in to arrive at the 83/17 recommendation.

Next Network Foundation

To assist with the Next Network process, VTA hired Jarrett Walker and Associates (JWA), an internationally-respected transit network design firm, to lead a community conversation about how to improve Santa Clara County's transit system. In February of 2016, JWA produced an independent assessment of VTA's transit service called the *Transit Choices Report* (which can be found at nextnetwork.vta.org). The *Transit Choices Report* recommended changes to VTA's network design philosophy, service classes, branding and fare structure. The *Transit Choices Report* outlined a strategy for increasing ridership: operating frequent, all-day transit service in areas that follow patterns of density, walkability, linearity and proximity. The *Transit Choices Report* also noted that increasing transit ridership requires multi-agency collaboration as the two largest drivers of ridership-land use and the design of the street network-are within the authority of municipal governments.

In June 2016, JWA produced a *Transit Alternatives Report* (which can be found at nextnetwork.vta.org) that framed the design of VTA's transit network in terms of the two goals that transit agencies are asked to achieve: ridership and coverage. The ridership goal compels transit agencies to think like a business and invest service hours in places that have high transit demand and transit-supportive characteristics like density and walkability. Ridership-oriented networks tend to have fewer routes, but many that are frequent while coverage-oriented networks have many routes, but few that are frequent. The coverage goal compels transit agencies to think like a government service and locate transit routes in as many places as possible to maximize access to public transit. While increasing ridership and coverage are both important goals, they compete for the same funding. Doing more of one means doing less of the other and transit agencies must decide how much of their funding should be spent toward each.

VTA currently spends 70 percent of its transit operating funding on ridership-purposed routes and 30 percent on coverage-purposed routes (as shown in **Attachment A**). Given the goal of increasing ridership, the *Transit Alternatives Report* asked if VTA should change its ridership/coverage balance and, if so, by how much? To assist with this community conversation, the *Transit Alternatives Report* featured three network concepts that employed different ridership/coverage balances, 70/30, 80/20 and 90/10. Each showed the tradeoff

between increased frequency and decreased access. All three concepts were designed in a budget-neutral context, where each would cost the same for VTA to operate.

Phase I Outreach and Board Direction

In the summer of 2016, VTA undertook a community engagement effort consisting of 12 community meetings, four four-hour community leader workshops, surveys and online outreach. This effort asked the public to weigh in on the three network concepts and cast a vote for their preferred ridership/coverage balance along a spectrum that ranged from 70/30 to 90/10. Over 2,000 votes were cast yielding an 80/20 average. At the community leader workshops, the average result of the ridership/coverage balance survey was 85/15.

VTA also asked if the public would welcome a more-ridership oriented network if it meant walking farther to access faster or more frequent transit and if making transfers between more frequent buses and/or trains in order to arrive at one's destination sooner would be preferred over making one-seat trips. Though some members of the public preferred shorter walks and one-seat trips, the majority favored walking farther and making transfers.

The community leader workshop attendees included elected officials, neighborhood and civic leaders, and representatives of community groups whose constituents rely on transit to get around. Due to these leaders' closeness to the topic of public transit, additional consideration was given to their input, resulting in a staff recommendation for an 85/15 ridership/coverage balance for the Draft Transit Service Plan.

At their November 18, 2016 Board Workshop, VTA's Board of Directors endorsed the staff recommendation. A Draft Transit Service Plan that employed an 85/15 ridership/coverage balance was released for public review at the January 5, 2017 Board of Directors Meeting.

DISCUSSION:

Draft Transit Service Plan

The Draft Transit Service Plan proposed several fundamental changes to the design of VTA's transit network, including the following:

- *Reallocating transit service from low-ridership areas to high-ridership areas*
- *Increasing frequency*
- *Increasing Light Rail Service*
- *More Rapid Routes*
- *Increasing midday and weekend service levels and expanding hours of service*
- *Transitioning toward a grid network*

- *Stronger connections to regional transportation*
- *Expanding potential rider base, improving service for current riders*

The December 22, 2016 memorandum presented to the Board of Directors on January 5, 2017 includes a detailed discussion of these features and the Draft Transit Service Plan that was released for public review. A copy of this memorandum can be found at nextnetwork.vta.org.

Phase II Outreach Campaign and Feedback

Following the release of the Draft Transit Service Plan, VTA staff undertook a public engagement effort to collect input on how VTA could improve the Draft Transit Service Plan. This effort included:

- 86 staff presentations including community meetings, guest presentations, committee and Board agenda items, and city staff and council presentations
- An information campaign including brochures, take-one cards, advertisements and an aggressive social media campaign in multiple languages
- A print and broadcast media campaign that recorded 27 instances of local coverage
- An online video campaign that achieved 111 live viewers, over 4,300 total views and 26,000 minutes of watch-time including webinars, two live-streamed public meetings and eight videos focused on transit changes around colleges
- A multi-lingual project microsite (nextnetwork.vta.org) that recorded 355,000 unique visits and 1.4 million page views
- A multi-lingual street team that engaged with riders at 14 different transit centers totaling 3,287 interactions with transit riders

A full documentation of community outreach can be found in **Attachment B**.

The outreach effort for the Draft Transit Service Plan yielded over 3,000 comments about the components of the Draft Transit Service Plan. These comments were often specific and detailed and focused on several themes:

- Consensus that VTA's ridership and farebox metrics were compelling reasons to make changes in the design of the transit network.
- Endorsement of the idea that increasing access of residents and jobs to frequent (15-minute or better, all-day) service would make transit a more viable travel option for more Santa Clara County travelers.
- Endorsement of more Rapid routes, particularly Rapid 523 in Sunnyvale and Cupertino.

- Support for the Core Connectivity Project, which seeks to identify new ways of providing mobility in areas that are a poor fit for a fixed-route transit service such as contributing funds to city-operated shuttle programs or subsidizing on-demand trips in areas without fixed-route service.
- Concern for those who lose access to any transit service, particularly in Almaden Valley, South San Jose, East San Jose Hills Saratoga, Cupertino, Los Gatos and Fremont. Routes 37, 45, 53, 65, 82, 88, 89, 120, and 181, which were proposed to be discontinued or have decreased levels of service were the subject of many comments.
- Concern about the impact to paratransit users whose homes or destinations would fall outside of the paratransit service area or into the premium fare zone if fixed-route services along the periphery of the transit network are discontinued.
- Interest in how VTA can better meet the needs of senior citizens.

A compendium of all comments on the Draft Transit Service Plan can be downloaded at nextnetwork.vta.org.

Final Transit Service Plan

In developing the Final Transit Service Plan, VTA staff sought to balance the direction to pursue a more ridership-oriented network with community requests to retain coverage-purposed routes that had been proposed to be discontinued. Ultimately, staff developed a compromise plan that retained some coverage-purposed routes, resulting in an 83/17 ridership/coverage balance. The Final Transit Service Plan (as shown in **Attachment C**) maintains all of the frequency increases proposed in the Draft Transit Service Plan and retains transit service in some corridors where discontinuances had been proposed. **Attachment D** includes by-route and by-city listings of all Final Transit Service Plan changes compared to the current transit service plan and Draft Transit Service Plan.

Changes from Draft Transit Service Plan to Final Transit Service Plan

Every transit service decision bears an opportunity cost as service hours that could benefit some travelers are shifted to benefit others. In making these decisions, VTA staff attempts to achieve the greatest good, balancing Board direction, ridership data, and community input while giving special consideration to the transportation needs of vulnerable populations such as students, seniors, the disabled, and low-income. The development of the Final Transit Service Plan attempts to achieve the best balance of all these factors within VTA's allotted budget for transit operations. In this process, staff benefitted greatly from the extensive and detailed input received from Santa Clara County travelers during Phase II Outreach.

The following bullets briefly discuss elements of the Draft Transit Service Plan that received a high level of community input and the resulting staff recommendations for the Final Transit Service Plan. A detailed discussion of each service decision can be found in **Attachment E**.

- *Cupertino/Saratoga - De Anza Boulevard/Saratoga-Sunnyvale Road (Current Route 53)*
 Recommendation: Continue service in this corridor by extending Route 51 south of De Anza College.
- *San Jose - Leigh Avenue (Route 65)*
 Recommendation: Retain service on Route 65 and decrease frequency from 30-minute service level to 60-minute service level.
- *Los Gatos/Campbell (Current Routes 48 and 49)*
 Recommendation: Operate Route 27 on Main Street in Downtown Los Gatos as well as Hacienda Avenue and Knowles Drive to service Los Gatos El Camino Hospital and Lost Gatos High School.
- *San Jose - Downtown (Current DASH)/Rapid 500*
 Recommendation: Retain the Draft Transit Service Plan's recommendation to upgrade the DASH to the Rapid 500 and add a Rapid 500 stop at Almaden Avenue.
- *Fremont/Sunnyvale (Route 120)*
 Recommendation: Given the extension of BART to Santa Clara County and compelling needs for transit service inside Santa Clara County, staff does not recommend retaining Route 120 in the Final Transit Service Plan.
- *Fremont/San Jose (Route 181)*
 Recommendation: Given the extension of BART to Santa Clara County, alternate ways of making the trip by transit, and compelling needs for transit service inside Santa Clara County, staff does not recommend retaining Route 181.
- *Palo Alto - Gunn High School (Current Route 88)*
 Recommendation: Provide a new Route 288 service during school bell times, with an additional after school trip to accommodate students involved in extracurricular activities. Discontinue Route 88.
- *Palo Alto - Veterans Hospital (Route 89)*
 Recommendation: Retain Route 89 as it exists today to provide hospital access for veterans.
- *San Jose - East Hills (Current Route 45)*
 Recommendation: Retain the Draft Service Plan's recommendation to discontinue Route 45. VTA will offer to provide a van for use by the patrons of the Homeless Veterans Emergency Housing Facility.
- *San Jose - Mineta San Jose Airport (Current Route 10)*
 Recommendation: Due to the inability to enforce whether riders who board at non-airport stops are traveling to the airport, only provide free boardings at airport terminals. Non-airport terminal boardings require a standard fare.

- *Campbell/San Jose - Hamilton/Pine (Current Route 82)*
Recommendation: Discontinue Route 82 and retain transit service along Hamilton Avenue/Pine Avenue corridor by rerouting Route 56.
- *Gilroy (Current Routes 14, 17 and 19)*
Recommendation: Discontinue routes 14, 17 and 19 and replace them with a loop route, which will be named Route 85.
- *Campbell/San Jose/Saratoga (Current Route 37)*
Recommendation: Retain Route 37 at a 60-minute frequency service level rather than a 30-minute service level. The portion of Route 37 that exhibits the greatest demand (from West Valley College to the Light Rail Line between Mountain View and Winchester) will be supplemented by Route 26, which offers 30-minute service.
- *Cupertino/Los Altos - Foothill and De Anza Colleges*
Recommendation: Due to insufficient demand, discontinue this service.
- *San Jose - Forest Avenue (Current Route 23, new Route 59)*
Recommendation: Retain the Draft Transit Service Plan's recommendation to keep Route 23 on Stevens Creek, and extend Route 59 from its terminus at the Santa Clara Caltrain Station to serve Forest Avenue via Lafayette.
- *Sunnyvale - Civic Center (Current Route 54)*
Recommendations: Discontinue service on Route 54 along Olive Avenue.
- *Sunnyvale - Fair Oaks Avenue (Route 55)*
Recommendation: Retain the Draft Transit Service Plan's recommendation of removing the Route 55 deviation that serves the Fair Oaks/Remington area. The volume and proximity of other transit services in the area (routes 22, 55, 522 and 523) provide adequate connectivity in all travel directions.
- *San Jose - Almaden Valley (Current Routes 13, 63, 64, 328 and 330)*
Recommendation: Extend Route 64, which currently terminates at Almaden Light Rail Station, to Camden Avenue and retain Route 13 (renamed to Route 83) with modifications to better serve the Almaden Community Center and shopping plazas at the intersection of Blossom Hill Road and Almaden Expressway. Additionally, VTA will explore an on-demand pilot service in Almaden Valley.

Retaining Access for Current Riders and Paratransit Clients

Of particular community concern were the proposals to discontinue routes in areas along the periphery of the transit network. Such changes would leave about one percent of current transit riders without any nearby transit service and would push some trips made by paratransit clients outside of the paratransit service area. The paratransit service area mirrors the shape of the fixed-route transit network. VTA is required by the Americans with Disabilities Act to operate

paratransit service in areas within $\frac{3}{4}$ of a mile of a fixed route while that route is in operation. VTA's own paratransit policy extends the service area by an additional mile, at a higher fare. By retaining routes that were proposed to be discontinued in the Draft Transit Service Plan, the impact to current riders and paratransit riders is lessened considerably.

For example, while the Draft Transit Service Plan would result in about one percent of current weekday boardings being more than half a mile from a transit stop. The Final Transit Service Plan would reduce that to about half a percent. Similarly, the Draft Transit Service Plan would result in the homes of 47 current paratransit clients falling outside the paratransit service area. The Final Transit Service Plan reduces this number to two. A detailed analysis of paratransit impacts can be found in **Attachment F**.

Title VI Analysis

Title VI of the 1964 Civil Rights Act states that agencies that receive federal funding may not discriminate on the basis of race, color or national origin.

Federal guidance encourages transit agencies to uphold Title VI in two ways: a metric-based analysis that evaluates the impact to minority and low income communities compared to the overall population of Santa Clara County, and by involving Title VI communities in the planning process so that their input may inform decisions as early as possible.

The metric-based evaluation of Title VI impacts for the Final Transit Service Plan was undertaken by an independent contractor and can be found in **Attachment G**. This analysis evaluates the impacts in two ways: 1) Disproportionate Impact, which measures the impact to minority residents and 2) Disproportionate Burden, which measures the impact to low-income residents. VTA's Board-adopted threshold for determining Title VI impacts is 10 percent, meaning that a service change that decreases the provision of transit for minority or low-income residents at a rate 10 percent greater than a decrease for overall residents is presumed to be non-compliant with the mandates of Title VI.

The independent Title VI analysis found that compared to the overall population, access to transit for low-income and minority residents of Santa Clara County increased slightly. As such, the metric based analysis finds that no disparate impacts or disproportionate burdens would result from the proposed transit service changes.

VTA sought to involve Title VI communities in the Next Network planning process by working with VTA's Title VI Office and following the VTA's Public Participation Plan. This included outreach to organizations that represent minority, low-income, and immigrant communities, hosting community meetings and workshops throughout the county, and partnering with Working Partnerships USA to gain input from transit riders and minority and low-income residents. Additionally, a multi-lingual advertising campaign spread awareness of the proposed service changes and a multi-lingual website encouraged residents to provide feedback in their preferred languages. A full list of outreach to Title VI groups can be found in **Attachment B**.

Ridership Projections

Ridership projections for the Final Transit Service Plan must be viewed in the context of current ridership trends. In Santa Clara County, ridership in FY2016 was two percent lower than FY2015. To date, FY2017 ridership (through January 2017) is down 11.6 percent compared to FY2016. These are significant decreases for an agency that has had relatively flat ridership for the previous ten years. These trends are not isolated to Santa Clara County. CityLab reports that transit ridership has been declining nationally with seven of the 30 largest metropolitan areas losing riders over the past calendar year. Only two metropolitan areas, Seattle, WA (4.1 percent) and Houston, TX (2.3 percent), showed increases in ridership over this time and both agencies have recently completed transit network redesigns that allocated a greater share of operations funding to ridership-purposed routes.

Many potential reasons for the national ridership decline have been identified including low gas prices, rising automobile ownership, higher income levels, on-demand services, corporate shuttles, unprecedented weather events, continued suburbanization, the suburbanization of poverty and changing demographics. Nationwide research into these influences is emerging and VTA is following these reports and is evaluating its own data to assess impacts at the local level.

Given the recent seismic shift in transit ridership, uncertainty about the cause, and inability to predict whether these trends will continue, it would be impractical to project ridership totals as a specific number. Rather, projections for the Final Transit Service Plan are presented in comparison to a scenario where VTA retains the current transit service plan. These projections are developed using VTA's countywide transportation demand model and do not account for potential changes to demand that may result from changes to VTA's fare policy, which may include free VTA-to-VTA transfers for Clipper Card users, changes in pricing to the base fare, youth fares, community bus fares and EcoPass.

Our analysis projects that the Final Transit Service Plan could potentially result in an increase in transit boardings as follows:

- **A 15 to 20 percent increase in light rail ridership.** This is driven by the addition of the Orange Light Rail Line which connects Downtown Mountain View with the Milpitas BART Station and Alum Rock Transit Center at 15-minute all day service.
- **An 8 to 10 percent increase in bus ridership.** This is due to the increase in frequent, all-day services, the restructuring of VTA's network to an interconnected grid and the new connection to BART service.

Changes in ridership typically take up to two years to stabilize, though early trends can give an indication as to whether ridership increases are materializing on a system-wide and individual route basis, as shown in the table below. Depending on how ridership changes in the first 6 months, VTA will have a sense for what the eventual ridership changes may be and whether

adjustments are necessary. Decreases in ridership immediately after big network changes are common as transit riders adapt to the new service. These decreases can be minimized by information and marketing campaigns.

6 Months	70% of ridership change realized
12 Months	80% of ridership change realized
18 Months	90% of ridership change realized
24 Months	100% of ridership change realized

These projections are based on BART providing two lines of service into Santa Clara County. BART's initial operating plan calls for one of the two lines that currently serve the Fremont BART Station to be extended to the Berryessa BART Station. The second line is expected to be extended in 2018 or 2019. As a result, the impact that new BART service will have on ridership growth may be reduced in the initial 12 to 24 months after BART service begins.

Related Efforts and Issues

Core Connectivity

Fixed route transit service is not always the best mobility solution for every community. As discussed in the Transit Choices Report, some communities will have features that are not supportive of fixed route transit, such as lower land use densities, first/last-mile gaps, an environment not designed for pedestrians, or a street grid not conducive to transit access. Such areas of our county have always struggled with poor transit access and low productivity under the one-size-fits-all model of fixed route service. As the industry evolves to acknowledge that fixed route transit is not always the best solution, more flexible models of transit service are emerging as potential solutions to provide better mobility for the residents of these communities. VTA's Core Connectivity will explore and develop solutions for these areas where fixed route transit may not be the best approach.

The 2016 Measure B includes a funding category for "innovative first/last mile solutions." While a program has yet to be determined by the VTA Board, this funding category could potentially include an on-demand transit service solution. For example, under Core Connectivity, VTA is exploring a pilot, on-demand transportation approach in Almaden Valley. Such a pilot could leverage VTA's paratransit contractor's ability to utilize on-demand software and excess capacity on Paratransit vehicles (and potentially a multi-provider service, where VTA software would interface with multiple transportation providers such as paratransit, taxis and on-demand service providers to meet trip demand with the most cost-effective option) to deliver service within this area. The pilot could further serve as a model for on-demand service that could be replicated for other areas in the county to replace unproductive fixed route service.

VTA staff is also exploring additional options which may include a senior/municipal shuttle operating subsidy. The Core Connectivity process will engage the VTA Board and committees

in exploring the development of a countywide program. The scale of this program would depend on the level of city partnership and how much funding VTA's Board of Directors allocates for first/last-mile solutions.

Fare Policy Review

Staff is reviewing VTA's fare policy within the context of the service redesign objectives of increasing transit ridership and improving farebox recovery. A specific focus is aligning VTA's fare policy with the design of a transit network that encourages making transfers between routes. VTA's present policy of charging cash-paying customers each time they board a vehicle discourages transfers. Additionally, staff is evaluating lowering the cost of youth fares, continuing the Transit Assistance Program (TAP) for low income riders, restructuring the Eco pass program, and adjusting the base fare-which VTA has not done since 2009.

VTA sought input on the fare policy as part of the Draft Transit Service Plan outreach. Finance staff engaged with the public at all nine VTA-hosted community meetings and sought input on VTA's fare policy through an online survey which was promoted on the nextnetwork.vta.org microsite, at community meetings, staff presentations and on social media. Staff will present a preliminary fare change proposal at the April 21, 2017 Board Workshop that includes a preliminary Title VI Fare Equity Analysis and summary of revenue impacts from proposed fare changes. Additional community outreach is planned in May and a recommended fare proposal is scheduled for Board adoption in June of 2017.

Next Steps

Implementation

Upon adoption of the Final Transit Service Plan, VTA Operations staff will begin the large task of turning a high-level service plan into a finely-tuned schedule that coordinates connections with regional transit services. Drivers will undergo training on the Final Transit Service Plan to ensure familiarity with new or changed routes. Operations staff will also develop vehicle circulation plans for the new transit centers at Milpitas and Berryessa BART Stations.

The timing of service changes will largely be dependent upon the start of service to the Milpitas and Berryessa BART Stations which itself is dependent upon construction and systems testing being completed on time. Changes to special school bell-timed service would be timed for summer or winter breaks to minimize disruption in student travel patterns.

Information and Marketing Campaign

In order to maximize awareness of the service changes, VTA will undertake a robust, multi-lingual information and marketing campaign to promote the new service plan. This campaign will begin in the second half of 2017 with intense promotion in the three months prior to service change implementation. This effort will target Santa Clara County travelers as well as East Bay BART travelers and will consist of print, radio, broadcast TV, cable TV, billboard, and social

media advertising. Additionally, VTA will use its own resources to promote the service including: vehicle wraps, shelter posters, car cards, in-vehicle printed collateral, and promotion through the WiFi splash page. A multi-lingual microsite will allow riders to explore the new service plan and compare their trips in the current and future networks. VTA's operators and customer service representatives will receive training and VTA staff will serve as in-person ambassadors at transit centers providing information in the opening days of service.

New Transit System Map and Route Timeguides

Following the adoption of the Final Transit Service Plan, VTA will redesign its transit system map and route timeguides to make them easier to use and more useful. The redesigned system map will focus on frequency rather than service classes, as the current map does. The redesigned timeguides will feature more useful maps that can serve as a resource during trip planning, travel and after disembarking the bus or train. These changes follow national design trends as well as a recommendation from JWA regarding how to reduce information barriers to transit ridership.

Express Bus Study

Following adoption of the Final Transit Service Plan, VTA staff will undertake a study of Express Bus routes, which are peak-period routes that are designed to take commuters long distances at high speeds. With the exception of Express Routes 120, 140, 180 and 181 which currently serve the Fremont BART Station, VTA has excluded changes to express routes from the Final Transit Service Plan. The Express Bus Study will evaluate whether changes should be made to those routes, or new ones added given the new transit network and changes in travel demand since the last Express Bus Plan was developed in 2011.

FISCAL IMPACT:

At the November 18, 2016 Board Workshop, VTA's Board of Directors endorsed the staff recommendation to return with a Draft Transit Service Plan that employed an 85/15 ridership/coverage plan that was service hour neutral, meaning it would reflect the same number of hours of service being provided.

Bus Service

Although 1,595,000 bus service hours were budgeted in FY17, the actual service hours for FY17 are projected to be 1,499,000 due to a number of planned service changes that were put on hold pending the finalization of the Next Network process. The budgeted service hours for FY18 and FY19 include the 102,000 service hours that were deferred in FY17, resulting in an increase in cost of approximately \$12 million per year.

Light Rail Service

For light rail service, a combination of the proposed Orange Line service (Alum Rock to Mountain View) and the increase in mid-day frequency on the Green Line (Winchester to Old Ironsides) is expected to increase service hours by 38,000 and operating expenses by approximately \$11 million per year.

Approaches to accommodating these increases in costs could include revenue from projected increases in ridership generated by the proposed service revisions, changes to fare structure, potential increased ridership as a result of Transit Oriented Development, and use of the 2016 Measure B Transit Operations program.

The budgetary impacts of these proposed changes will be reflected in the Proposed FY18 and FY19 Transit Fund Operating Budget.

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Memo No. 5897

ATTACHMENTS:

- Attachment A - Current Transit Service Plan (PDF)
- Attachment B - Phase II Outreach Summary (PDF)
- Attachment C - Final Transit Service Plan Maps - Frequency Table - Light Rail System Map - Service Profile (PDF)
- Attachment D - Route by Route List of Changes (PDF)
- Attachment E - Changes from Draft Plan to Final Plan (PDF)
- Attachment F - Paratransit Service Impacts (PDF)
- Attachment G - VTA Service Equity Analysis Report (PDF)