



February 8, 2018

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: 2018 Project V Community-Based Transit/Circulators Program Guidelines and Call for Projects

Overview

Measure M2 establishes a competitive program through Project V to fund local transit services such as shuttles, trolleys, and circulators that complement regional transit services. Based on interest from local agencies, a competitive Call for Projects is recommended, and updated guidelines are presented for review and approval.

Recommendations

- A. Approve the 2018 Project V Community-Based Transit/Circulators Program Guidelines.
- B. Authorize staff to issue the 2018 Project V Community-Based Transit/Circulators Call for Projects in the amount of \$12 million.

Background

Project V is a competitive program under Measure M2 (M2) that provides funding to develop and implement local transit services. Based on current forecasts, the total estimated revenue for Project V under M2 for the 30-year period (2011-2041) is \$251 million. Services eligible for this program include local shuttles, trolleys, and circulators that complement regional bus and rail services, and meet needs in areas not adequately served by regional transit. Year-round services and seasonal/special event shuttles have been eligible to compete for funding. Further, Orange County Transportation Authority (OCTA) has helped local agencies provide fixed-route services by providing transit operations and maintenance directly through OCTA's Transit Division. These services are frequently referred to as "OCTA-led" services.

The initial guidelines for Project V were approved by the OCTA Board of Directors (Board) in November 2012. The last Project V Call for Projects (call) occurred in 2016. Since inception, the Board has approved 23 projects with capital and/or operations and maintenance elements for a total of \$36.5 million in Project V funds. Through September 30, 2017, OCTA has received reimbursement requests from local agencies and has expended \$3.6 million for Project V services.

Seasonal service and special events serve the local community and tourists in higher density areas during peak seasons to alleviate local congestion and connect parking locations to activity centers, which contributes to their higher productivity. Local circulators provide fixed-route services to the local community and regional commuters by connecting key activity centers within the local service area. The special event services have proven to be especially successful, whereas the year-round fixed-route services have not performed at the same level, and several agencies have experienced difficulties in meeting the minimum performance standard (Attachment A).

To further serve the mobility needs of the communities in Orange County, staff requested letters of interest from local agencies to determine the timing for a future round of Project V funding. As reported to the Board in January 2018, local agencies primarily expressed an interest in seasonal, special event, and year-round services (Attachment B).

Discussion

Considering the level of interest in providing new community-based services and the lessons learned from existing projects and successes, staff is proposing a 2018 Project V call targeting special events and seasonal services. However, year-round services provided through non-OCTA service providers will be eligible for consideration. While OCTA-led services will not be eligible for this call cycle, OCTA will continue to provide support to local agencies wishing to use their own resources to develop these types of services under Project V. If an expansion of an existing Project V year-round service is being proposed, the existing service must have met the minimum performance requirement in the last quarter (Q2: October 1, 2017 - December 31, 2017) to qualify for consideration. Due to low interest, the proposed guidelines do not include planning studies in this call. This will allow OCTA to focus Project V resources on service operations and capital in this call. It is proposed to make available \$12 million in Project V funds for a 2018 call. Grants would be available for a period of three to five years, and this will enable projects in this call to better align with current projects and timescales for a future Project V call.

The Project V Guidelines have been updated to include criteria relevant to the proposed 2018 call (Attachment C). The updates mainly relate to the period of funding (three to five years), eligible categories, and scoring criteria related to the proposed call. Projects that apply for the 2018 call would be evaluated and scored against criteria identified in the guidelines (Attachment D). The 2016 Project V call allowed approximately 3 months for applications (November 23, 2015 – February 29, 2016) and 3 months for OCTA project-level reviews. The 2018 call includes approximately 6 weeks for agencies to develop and submit applications, with applications due by March 23, 2018. OCTA will then review and score the applications through early May 2018. The expedited timescale is due to the high level of interest in a call from local agencies and allows the opportunity to award funding from fiscal year (FY) 2018-19, if an agency can demonstrate project readiness.

Next Steps

Upon approval of the guidelines, OCTA will notify local agencies of the call and applications will be due by March 23, 2018. Staff will then assess the applications and return to the Board with funding recommendations in June 2018. Funding will be available starting in FY 2018-19, if an agency can demonstrate adequate project readiness, and in FY 2019-20.

Summary

Project V Community-Based Transit/Circulators 2018 Program Guidelines for administration of a 2018 call are presented for review and approval. Staff is also seeking approval to issue a 2018 call.

Attachments

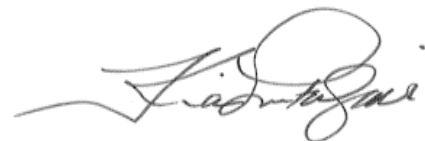
- A. Project V Services – Ridership Report
- B. Project V Letters of Interest Overview
- C. Comprehensive Transportation Funding Programs, Chapter 6 –
Community-Based Transit/Circulators (Project V)
- D. Project V, 2018 Call for Projects Application & Scoring Criteria

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