



July 12, 2018

To: Transit Committee *Y. Hernandez for*
From: Darrell E. Johnson, Chief Executive Officer
Subject: Project V Community-Based Transit Circulators Program
Ridership Report

Overview

Measure M2 establishes a competitive program through Project V to fund local transit services that complement regional transit. As of March 31, 2018, the Orange County Transportation Authority Board of Directors had approved 23 projects, for a total of \$36.5 million, in Project V funds. A ridership report on Project V services operating through the reporting period is provided for informational purposes. The reporting period is comprised of the second and third quarters of fiscal year 2017-18.

Recommendation

Receive and file as an information item.

Background

Project V is a competitive program under Measure M2 (M2) that provides funding to develop and implement local transit services. Services eligible for this program include community-based circulators, shuttles, trolleys, and demand-responsive services that complement regional bus and rail services, and better suit local needs in areas not adequately served by regional transit. Year-round services and seasonal/special event shuttles are eligible to compete for funding.

The Orange County Transportation Authority (OCTA) Board of Directors (Board) approved six projects for \$9.8 million in Project V funds in June 2013, and \$26.7 million for 17 projects in June 2016. In February 2018, the Board directed staff to issue a 2018 call for projects (call), and on June 25, 2018 the Board awarded \$6.8 million to fund an additional six projects.

Consistent with approved Project V Guidelines, local agencies must provide a minimum match of ten percent for capital costs. Project V M2 contributions towards the operations costs are capped at a maximum of 90 percent of the total service cost, or \$9 per boarding, whichever is less.

Project V-funded service performance is evaluated on a quarterly basis, and services must meet or exceed the minimum performance standards outlined below:

- Six passenger boardings per revenue vehicle hour (B/RVH) by the end of year one (12 months from the first day of operating the service),
- Maintain six B/RVH and meet or exceed ten B/RVH by end of year two,
- Ten B/RVH must be then maintained every year thereafter.

After year one, services that perform below the minimum performance standard for two or more reporting periods will be evaluated for cancellation. These project savings are returned to the program for use in subsequent calls for projects. To date, there is an estimated \$7.9 million in project savings due to cancellations.

In August 2015, the Board directed staff to provide ridership reports to the OCTA Transit Committee on active Project V services. These reports are provided biannually. This report includes ridership for 16 projects that were in operation during the reporting period ending March 31, 2018. Additional projects will be added to this report as those services begin.

Discussion

Current Project V services include a combination of special event, fixed-route, and on-demand projects that meet a variety of community needs. The prior ridership report reflected 17 services in operation (Attachment A). Since then, the City of San Juan Capistrano (San Juan Capistrano) successfully completed its one-year pilot service term on September 4, 2017. San Juan Capistrano successfully applied to continue this service during the 2018 call. Ridership for this service will be included in the next ridership update.

The current ridership report reflects 16 services, 14 of which are still in operation today. In general, special event services tend to be successful. Productivity for the special event services averaged approximately 28 B/RVH for this reporting period. However, fixed-route services are not performing at the same level. The various types of services are summarized below with details in Attachment B, followed by a discussion of circumstances related to services that are not meeting performance standards.

Seasonal services - no services during this period

- Huntington Beach – Holiday and Event Shuttle
- Huntington Beach – Seasonal Local Transit Service
- Newport Beach – Balboa Peninsula Seasonal Trolley
- San Clemente – Summer Weekend Trolley and Seasonal Service

Services meeting or exceeding the minimum performance standard

- Dana Point – Summer Trolley and Seasonal Shuttle
- Dana Point – Pacific Coast Highway and Special Event Trolley
- La Habra – Special Event Service
- Laguna Beach – Summer Weekend Trolley and Seasonal Service
- Lake Forest – Commuter Vanpool Service Irvine Station and Ossur
- Lake Forest – Commuter Shuttle Service Irvine Station and Panasonic

Services below the minimum performance standard

- Anaheim – Anaheim Regional Transportation Intermodal Center to Downtown (no longer in operation)
- Costa Mesa – Local Circulator from Costa Mesa to Anaheim (no longer in operation)
- County of Orange – Local Circulator and Special Event Service
- Laguna Beach – Residential Trolley Service Year-Round and Seasonal Service
- Mission Viejo – Local Community Circulator

Pending usage and performance data

- San Clemente – On-Demand Rideshare

The City of Anaheim (Anaheim) started service in October 2017 and had ridership considerably lower than projected. As a result, Anaheim discontinued service on March 8, 2018. This service was formally cancelled during the March 2018 semi-annual review, which was approved by the Board on June 11, 2018. The City of Costa Mesa (Costa Mesa) started service in July 2017 and remained under the minimum performance target. Costa Mesa suspended service on April 1, 2018. As a result of the suspension, the service likely will not meet the minimum performance requirement for year one, and it is expected that this service will be formally cancelled during the September 2018 semi-annual review.

The City of Laguna Beach and the County of Orange started services in June 2017. Both services are currently under the minimum performance target for this reporting period. However, both are in year one of service and have previously met the six B/RVH performance target (Attachment A).

The City of Mission Viejo's (Mission Viejo) service began in October 2016 and is maintaining the six B/RVH required. However, Mission Viejo must reach the performance target of ten B/RVH by October 2018.

The City of San Clemente (San Clemente) is currently providing demand-responsive rideshare services along the area formerly served by OCTA bus routes 191 and 193. These two routes were eliminated as part of OC Bus 360° during the October 2016 service change. Due to the new and unique nature of this service, the Board approved this as a pilot program for two years. OCTA is currently working with San Clemente and Lyft to obtain necessary information to verify usage and performance. This information needs to be provided by August 2018.

OCTA staff will continue to closely monitor services that are below the standard and meet with city staff on ideas and concepts to improve service productivity and ridership, as appropriate.

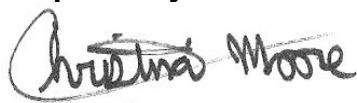
Summary

A status report on Project V services is provided for information purposes. Staff will continue to work with local agencies and monitor these services. In addition, information on new services, starting later this year, will be provided in future reports. The next Project V Community-Based Transit Circulators Program Ridership Report is scheduled for January 2019.

Attachments

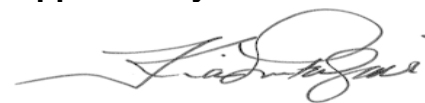
- A. Project V Services – Prior Ridership Report
- B. Project V Services – Current Ridership Report

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