STAFF REPORT

MEETING DATE:	**February 27, 2018**
SUBJECT:	**Review FY 2018/19 Annual Transit Needs Assessment and Preliminary Recommendations (Public Hearing)**
AGENDA ITEM:	**10**
STAFF CONTACT:	**Keith Williams, Associate Transportation Planner, AICP**

SUMMARY:
Each year, SRTA assesses and makes determinations regarding unmet transit needs in the Shasta Region. The Draft Transit Needs Assessment for Fiscal Year (FY) 2018/19 was posted to SRTA's website in January. A public hearing is required. Final unmet transit needs recommendations will be presented in April alongside the FY 2018/19 Transportation Development Act (TDA) budget for consideration by the board of directors. Preliminary staff recommendations include completing the study of Sunday transit service alternatives, but do not include the extension of service hours or more frequent transit service at this time.

STAFF RECOMMENDATION:
It is recommended that the board of directors:
1. Hold a public hearing to receive public comments on unmet transit needs; and
2. Provide any further direction to staff regarding FY 2018/19 Unmet Transit Needs.

DISCUSSION:
Background – As a recipient of Local Transportation Funds (LTF), SRTA is required to administer the annual unmet transit needs process. The purpose of this process is to:
1. Identify potential unmet transit needs in each jurisdiction; and
2. Certify that all reasonable-to-meet transit needs have been met in each jurisdiction, prior to allocating any residual LTF funds for other eligible uses, including local streets and roads.

Transit Needs Assessment – The Transit Needs Assessment (attached) is developed as part of the annual unmet transit needs cycle (overview attached). Needs identified through this process are evaluated against the agency's adopted "reasonable to meet" definition (attached). The FY 2018/19 Transit Needs Assessment's key aspects include:

- Identification of transit dependent and transit need populations;
- Community outreach strategies (e.g. social media, SRTA website, mail, brochures, and posters);
- Preliminary findings regarding requested services (e.g. Sunday service, extended service hours, and shorter headways).

Farebox Recovery and Reasonable to Meet Standards – RABA's farebox recovery ratio decreased slightly from 17.10% in FY 2015/16 to 16.85% in FY 2016/17. Despite falling below RABA's weighted farebox recovery ratio standard of 18.0%, it is recommended that existing services continue because the system is performing close to the farebox standard and changes to individual routes could negatively affect the system as a whole. In addition, the current farebox ratio is above the minimum 15% threshold where funding penalties are imposed.

Service Recommendations – As part of this year's cycle, transit service options will continue to be evaluated through April. Three ongoing service requests are described below:

FY 2018/19 Transit Requests and Recommendations

<table>
<tr><th>Transit Service Request</th><th>Unmet Transit Need?</th><th>Reasonable to Meet?</th><th>Response</th></tr>
<tr><td>Sunday service</td><td>Yes</td><td>Pending Analysis</td><td>SRTA is working on the development of a pilot project for Sunday transit service that serves the region. Nearly 300 participants filled out ridership surveys (41 online) in October and November of 2017, and the survey data is currently being analyzed to develop service alternatives. SRTA anticipates recommending a service solution this summer.</td></tr>
<tr><td>More frequent service</td><td>Yes</td><td>No</td><td rowspan="2">Needs and service options will be included in the next short-range transit plan anticipated in 2019. It is unlikely that changes could be made system-wide initially, but pilot programs could be introduced in high-use transit areas. A Sunday or city of Shasta Lake on-demand pilot project may also have applicability to these service enhancements.</td></tr>
<tr><td>Extended service hours</td><td>Yes</td><td>No</td></tr>
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Public Involvement – The Draft FY 2018/19 Transit Needs Assessment (Attachment B) was posted to the SRTA website on January 25, 2018, and circulated to interested individuals and organizations. The thirty-four comments received to date can be reviewed in Appendix 8 of the Draft FY 2018/19 Transit Needs Assessment. Comments may be submitted during today's public hearing or delivered to SRTA until March 5, 2018.

Next Steps – Unmet transit needs findings, including all public comments received and staff recommendations, will be presented along with the proposed FY 2018/19 TDA budget at the April 24, 2018, board of directors meeting.

It is recommended that the board of directors conduct a public hearing, provide staff any further direction regarding the FY 2018/19 Transit Needs Assessment, and direct staff to prepare responses to public comments received.

ALTERNATIVES:

The board of directors may suggest modifications to the preliminary transit recommendations or the transit needs assessment.

OTHER AGENCY INVOLVEMENT:

The unmet transit needs process is developed in consultation with the county of Shasta, the three cities, the Social Services Transportation Advisory Council, Dignity Health Connected Living, and RABA. Documentation of the unmet transit needs process is approved by Caltrans. The Technical Advisory Committee (TAC) reviewed the Draft FY 2018/19 Transit Needs Assessment.

FISCAL IMPACT :

The unmet transit needs findings govern the use of Local Transportation Funds for public transportation or local streets and roads. In a typical year, approximately $1,700,000 in Local Transportation Funds are used for transit and $4,800,000 are used for non-transit purposes, i.e. streets and roads.

Dan Little
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Daniel S. Little, AICP, Executive Director

Attachments:

Overview of the Annual Unmet Transit Needs Cycle
Reasonable to Meet Definition
Draft 2018/19 Transit Needs Assessment available at: http://srta.ca.gov/DocumentCenter/View/3950

Attachment A

Overview of the Annual Unmet Transit Needs Cycle

Activity	Schedule			
	Nov-Jan	Feb-March	April-Jun	Beyond
1. Assess current conditions and gather input				
Consult with Social Services Transportation Advisory Council (SSTAC)		☐		
Review most recent transit plans and prior year Unmet Transit Needs findings. Revise (as needed) analysis on size and location of likely transit dependent populations. Solicit public comments (social media, interviews, etc.) via 'Shasta Transit Brainstorm'	☑			
Based on earlier findings, develop transit service priorities survey to distribute via SRTA website, social media, and other methods	☑			
2. Draft Transit Needs Assessment				
Prepare and publish draft Transit Needs Assessment for a minimum 30-day public comment period		☑		
Hold a public hearing to receive comments on the draft Transit Needs Assessment		☐		
3. Unmet Transit Needs Findings				
Work with appropriate transit provider(s) to develop options for meeting identified unmet transit needs and testing against adopted reasonable to meet criteria		→		
Present Unmet Transit Needs Findings for the upcoming fiscal year (requests requiring additional analysis are continued to the next fiscal year)			☐	
Allocate TDA funds for transit and non-transit purposes for the upcoming fiscal year			☐	

RESOLUTION NO. 16-14

DEFINITION OF UNMET TRANSIT NEEDS
AND REASONABLE TO MEET

WHEREAS, the Transportation Development Act (TDA) requires each transportation planning agency to find, prior to any allocation of Local Transportation Fund (LTF) monies for streets and roads, (1) that there are no unmet transit needs, or (2) that there are no unmet transit needs which can reasonably be met, or (3) if there are unmet transit needs, including some such needs that are reasonable to meet, that those needs determined reasonable to meet have been funded (California Public Utilities Code (PUC) Section 99401.5); and

WHEREAS, the TDA further permits the agency to define the terms "unmet transit needs" and "reasonable to meet" as it determines appropriate, consistent with PUC Section 99401.5(c); and

WHEREAS, Shasta Regional Transportation Agency (SRTA) staff, having consulted with claimant jurisdiction representatives and the Social Services Transportation Advisory Council and have concluded that minor technical changes consistent with the TDA and prior RTPA practice are appropriate, and have therefore recommended the following revised definitions:

Unmet Transit Needs. An "unmet transit need" under the Transportation Development Act shall be found to exist only under the following conditions:

1. A population group in the proposed transit service area has been defined and located which has no reliable, affordable, or accessible transportation for necessary trips. The size and location of the group must be such that a service to meet their needs is feasible within the definition of "reasonable to meet" as set forth below.

2. Necessary trips are defined as those trips which are required for the maintenance of life, education, access to social service programs, health, and physical and mental well-being, including trips which serve employment purposes.

3. Unmet transit needs specifically include:
   (a) Transit or specialized transportation needs identified in the transit system's Americans with Disabilities Act Paratransit Plan or short-range Transit Plan which are not yet implemented or funded.

   (b) Transit or specialized transportation needs identified by the Social Services Transportation Advisory Council and confirmed by the RTPA through testimony or reports which are not yet implemented or funded.

4. Unmet transit needs specifically exclude:

(a) Minor operational improvements or changes, involving issues such as bus stops, schedules and minor route changes.

(b) Improvements funded or scheduled for implementation in the following fiscal year.

(c) Trips for any purpose outside of Shasta County, in accordance with PUC Section 99220(b).

(d) Primary and secondary school transportation.

Reasonable to Meet. An identified unmet transit need shall be found "reasonable to meet" only under the following conditions:

1. It has been demonstrated to the satisfaction of the Agency that transit service adequate to meet the unmet need can be operated with a minimum farebox recovery of 20% in urbanized areas and 10% in non-urbanized areas. Where anticipated farebox revenue from proposed services do not meet these minimum requirements, the following exceptions may apply as determined by the SRTA Board of Directors:
   a) Transit services that are funded entirely with grants.
   b) Transit services that are funded entirely by a local agency at that agency's discretion.
   c) Urban transit services that represent a critical or essential service, as determined by the SRTA Board of Directors, providing such services do not result in farebox penalties for the transit system as a whole.
   d) Pilot projects and new services for up to two years.
   e) When a transit service primarily serves urban areas but also includes non-urban areas, a pro-rated farebox recovery standard based on the ratio of urban and non-urban in-service transit vehicle miles may be used.

It must also have been demonstrated that the unsubsidized portion of operating costs can be recovered by fare revenues as defined in the State Controller's Uniform System of Accounts and Records. The "Cost Allocation Method" as shown in Exhibit (A) is the method to be used for determining fare box ratio.

(A) Transit service farebox recovery minimums may be determined on an individual route or service area basis.

2. The proposed expenditure of Transportation Development Act funds required to support the transit service does not exceed the authorized allocation of the claimant, consistent with Public Utilities Code Sections 99230-99231.2 and TDA Regulations Sections 6649 and 6655.

The fact that an identified need cannot fully be met based on available resources, however, shall not be the sole reason for finding that a transit need is not Reasonable to Meet.

3. The proposed expenditure shall not be used to support or establish a service in direct competition with an existing private service, nor to provide 24-hour service.

4. Where transit service is to be jointly funded by two or more of the local claimant jurisdictions, it shall be demonstrated to the satisfaction of the SRTA Board of Directors that the resulting inter-agency cost sharing is equitable. In determining if the required funding equity has been achieved the SRTA Board of Directors may consider, but is not limited to considering whether or not the proposed cost sharing formula is acceptable to the affected claimants.

5. Transit services designed or intended to address an unmet transit need shall in all cases make coordinated efforts with transit services currently provided, either publicly or privately.

NOW, THEREFORE, BE IT RESOLVED that the definitions set forth above shall govern SRTA's determinations of unmet transit needs that are reasonable to meet pursuant to applicable TDA statutes and regulations, and the resulting allocation of TDA funds by the SRTA Board of Directors;

BE IT FURTHER RESOLVED that Resolution 00-21 of the Shasta Regional Transportation Agency dated December 12, 2000, is hereby rescinded and superseded.

PASSED AND ADOPTED this 13th day of December, 2016, by the Shasta Regional Transportation Agency.

Leonard Moty, Chair
Shasta Regional Transportation Agency