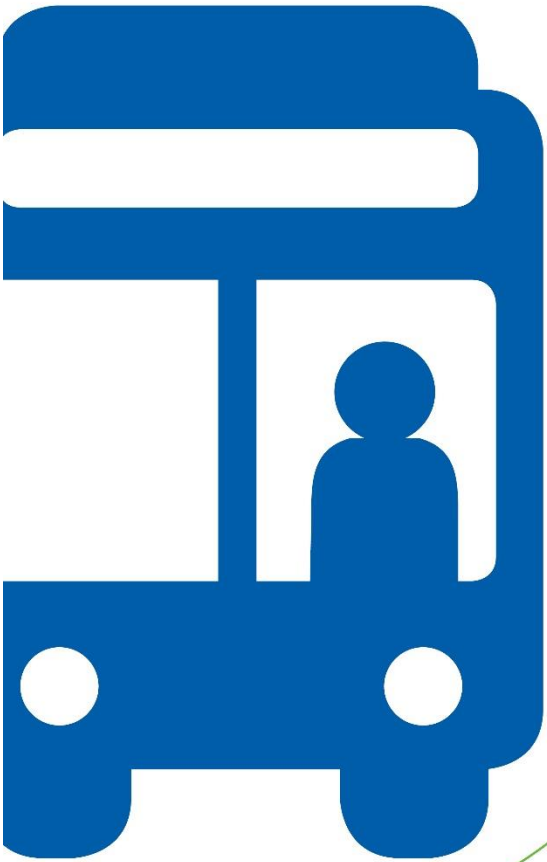


STRATEGIC PLANNING DISCUSSION



2016-17 HIGHLIGHTS

October 4, 2017

2016-17 HIGHLIGHTS



GROUNDBREAKING CEREMONY

Gold Coast Transit District
Operations & Maintenance Facility
May 10, 2017

2016-17 HIGHLIGHTS



Vehicle Replacements

- 5 replacement buses
- 8 replacement paratransit

We plan to seek funding to extend the useful life of our fleet where possible.



FLEET MANAGEMENT PLAN
October 2016

2016-17 HIGHLIGHTS



GCTD Awarded
Sustainability Grant:

**First-Mile Last-Mile
Connectivity Study for Naval
Base Ventura County --
Kicking off in late 2017.**



2016-17 HIGHLIGHTS



GCTD Awarded Sustainability Planning Grant:
Building Transit Supportive Communities
Kicking off in 2018



2016-17 HIGHLIGHTS



Numerous Community Events

- Veteran's Fair
- Earth Day
- Back to School Nights
- Community Meetings
- Can TREE (Food share)
- Driver Appreciation Day
- Safety Day... and More...



Elf on the GO



Call 888-705-JRIC (5742) or
9-1-1 in case of an emergency

2016-17 HIGHLIGHTS

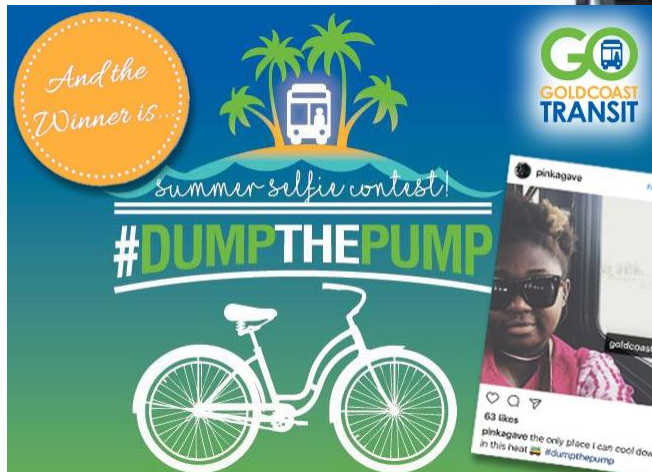


Increased Social Media following and engagement with community.



Gold Coast Transit @GoldCoastBus · Sep 22

#GCTD GM, Steven Brown, presenting new bike to Rebbeca Kajumba, winner of #DumpthePump Summer Selfie Contest. Story: goo.gl/VQ3Djx



2016-17 HIGHLIGHTS



Paratransit:

On an average service day, a passenger boards a GO ACCESS vehicle every 3 minutes.

(56% of trips go to medical destinations)

Demand is expected to continue to grow in the coming years.

(FY 2016-17 Ridership Up 10%)



2016-17 HIGHLIGHTS

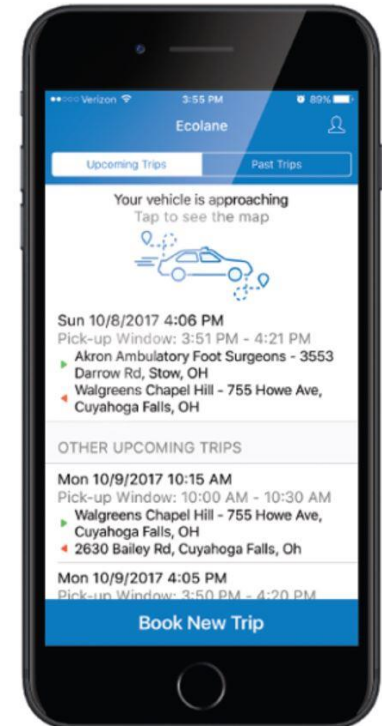


Paratransit:

Efforts Underway to Reduce Costs Improve Efficiency



- Purchasing Smaller Fuel Efficient Vehicles
- Implementing Scheduling Software Upgrades
- Identifying Eligible Trips for Medi-Cal Reimbursement
- Seeking Grant funding for Mobility Passes to encourage “best mode” choice.



STRATEGIC PLANNING DISCUSSION: **FUNDING**

October 4, 2017



STRATEGIC PLANNING DISCUSSION FUNDING



WHY NOW:

- Largest Public Transit investment in VC now under Construction
- To be proactive in addressing long-term funding needs to keep us financially sustainable & mission-focused



STRATEGIC PLANNING DISCUSSION

FUNDING

WHY NOW:

- **Preserve District's ability to serve its members now and in the future.**
- **Meet increasing demands for service for Seniors, and People with Disabilities**
- **Ensure fares are affordable/equitable**
- **Prepare for future development/growth**
- **Make transit a more viable option for the community!**

STRATEGIC PLANNING DISCUSSION FUNDING

TODAYS DISCUSSION WILL

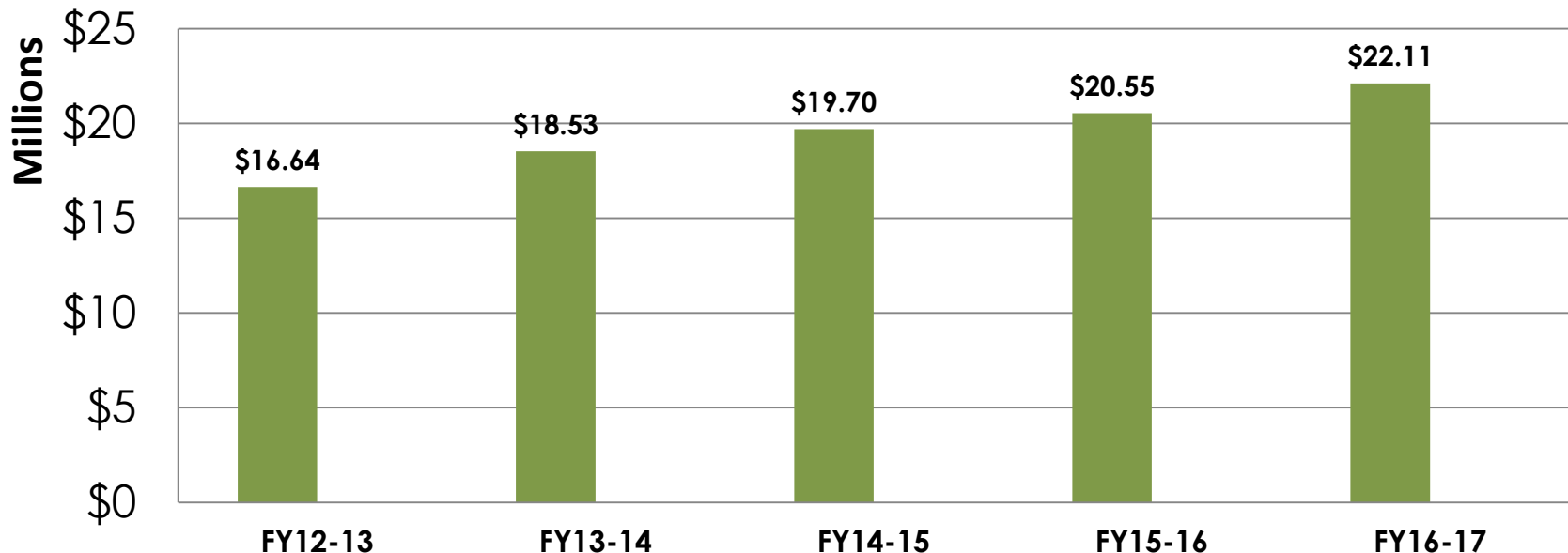
- **Provide an overview of funding challenges we face in the near future.**
- **Introduce opportunities to address long term funding needs.**
- **Discuss Next Steps**

CHALLENGES

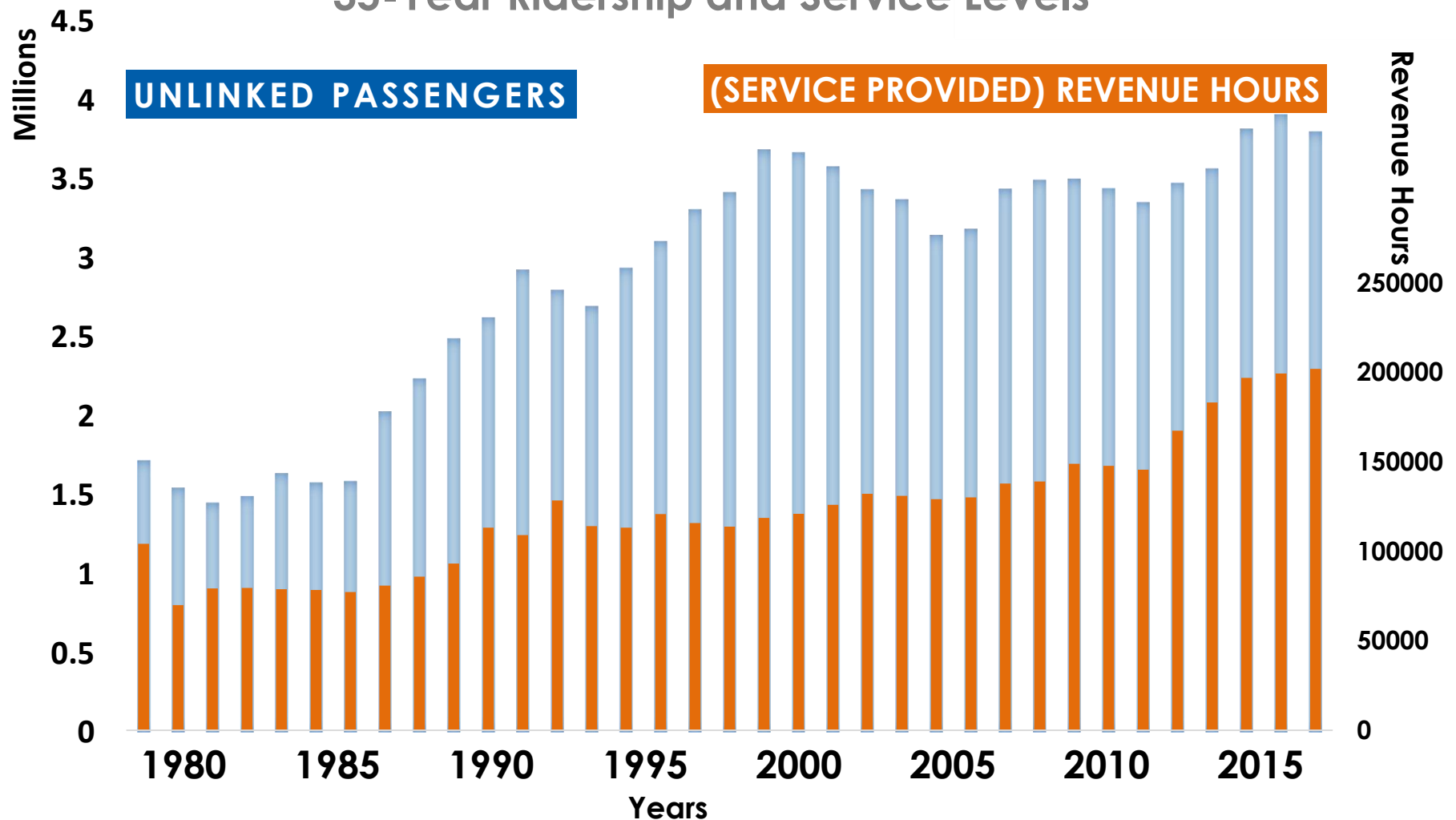
In past 5 years, operating expenses increased 34% ...

- Growth in service levels & ridership
- Insurance / Fuel / Parts
- Right sized staffing in critical functions

GCTD Annual Operating Costs

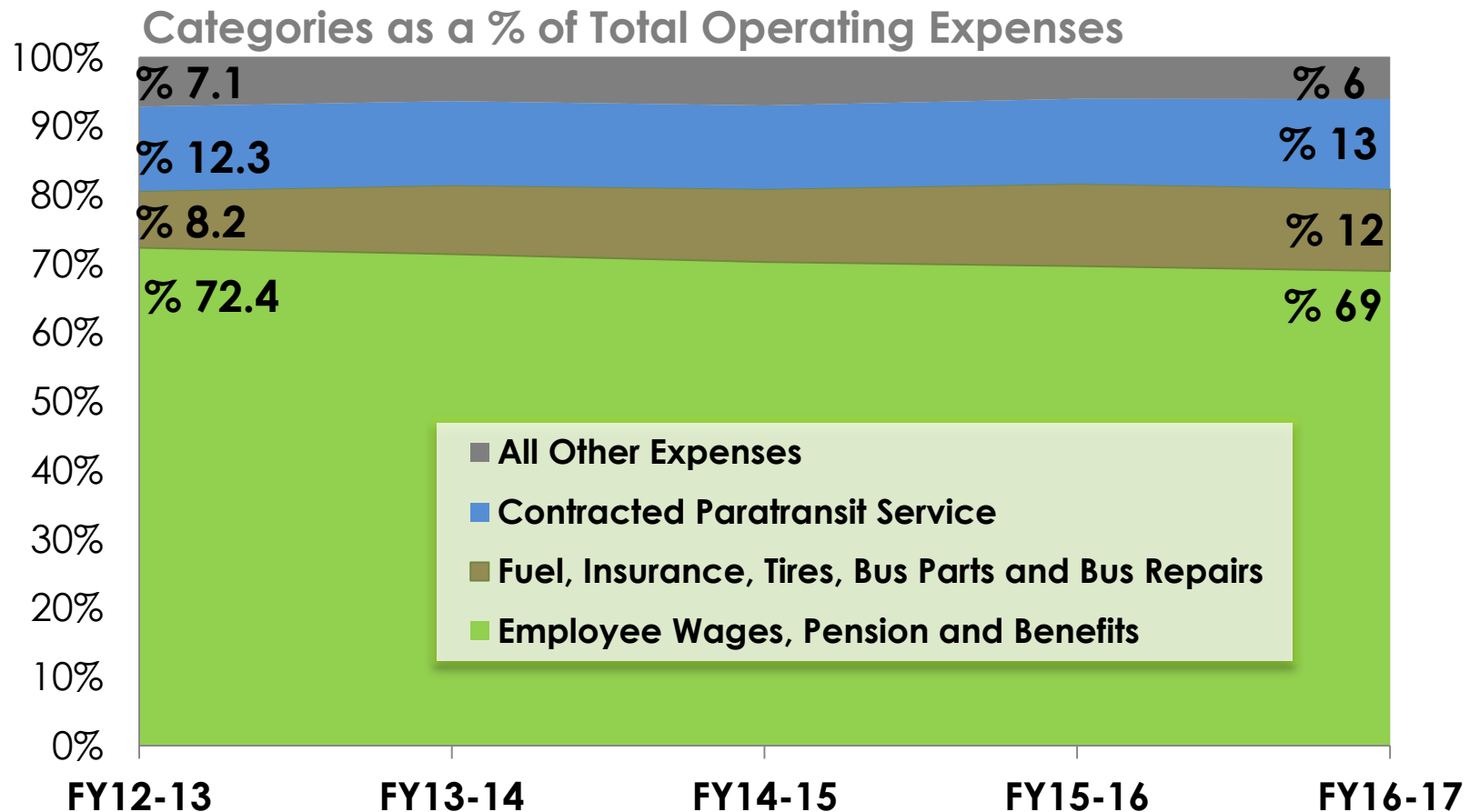


35-Year Ridership and Service Levels



CHALLENGES

Although costs have increased
GCTD's internal Cost Structure is Relatively Stable



CHALLENGES



Aging Fleet: Buses & Relief vehicles nearing end of useful life

Plan to extend life where possible – eventually will need to replace

Facility Investment \$1.4M annual bond payment + increased upkeep / safety / security needs

Other Cost Risk Issues Facing GCTD Include:

- Labor Negotiations Underway
- CalPERS Pension Increases
- Tightening Transit Liability Insurance Market
- Paratransit Services Demand Up + New Contract in 2018

No Locally Generated Source of Transportation Funds

Farebox recovery % limits us from expanding beyond status quo

Revenue Imbalance

- As discussed with the Board in May, GCTD's 2017-18 current year **revenue sources are lower** than its current year revenue uses
- While GCTD does have some reserve funds to sustain this in the short-term, this **revenue imbalance will need to be addressed in the next several years.**

Revenue Sources

GCTD's Primary Sources of Revenue

- State Local Transportation Funds (LTF)
- Federal Formula (Section 5307) Funds
- Passenger Fares
- State Transportation Assistance (STA) Funds

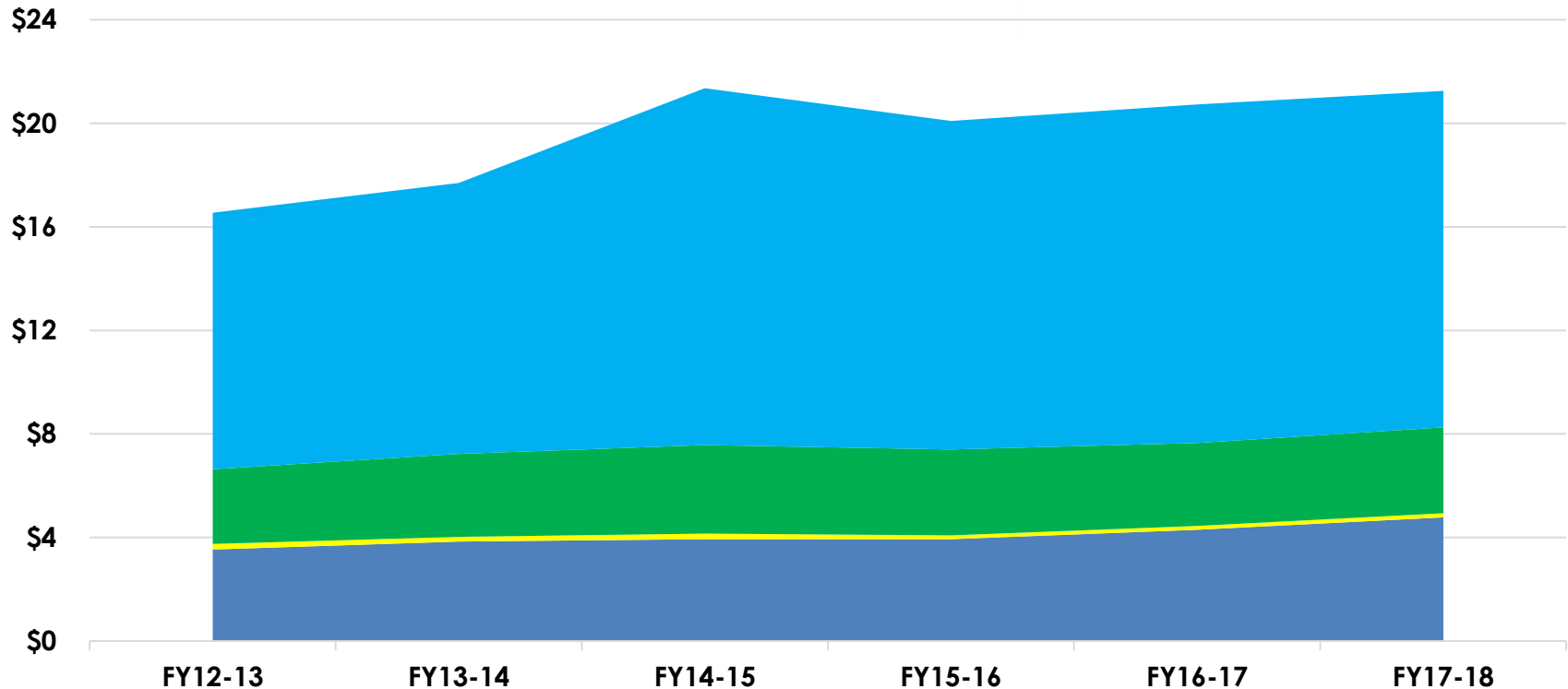
All have remained relatively flat during the past five years.

GCTD realized a one-time increase in our share of Ventura County's LTF Revenue Upon Becoming a District in 2014.

CHALLENGES

Millions

Revenue from Major Sources, FY14-15 to FY17-18

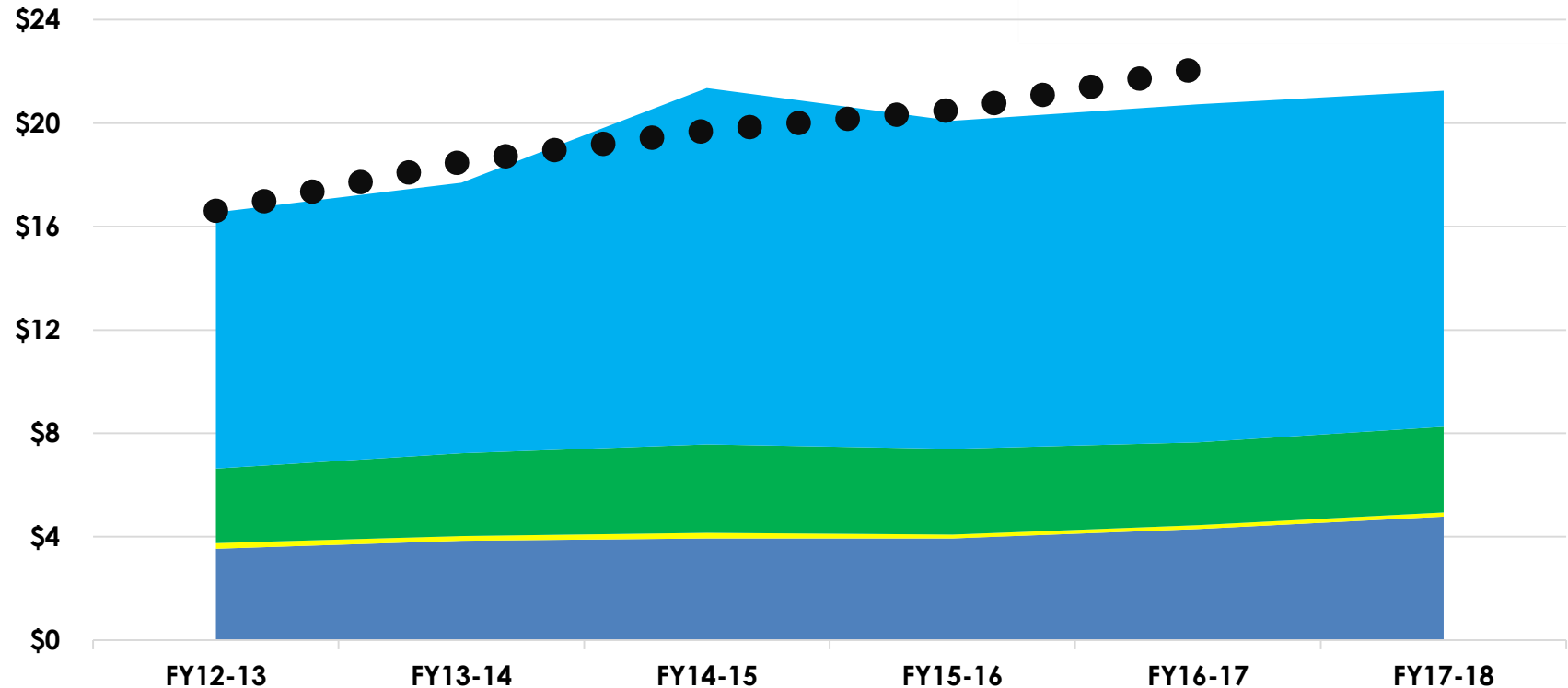


- Federal 5307
- State STA
- Passenger-Paid Fares
- State LTF, net of Member Claims

CHALLENGES

Millions

Revenue from Major Sources, FY14-15 to FY17-18



- Federal 5307
- State STA
- Passenger-Paid Fares
- State LTF, net of Member Claims
- • Annual Operating Expense

Other Sources of GCTD Revenue

- Medi-Cal Reimbursement (for Paratransit Service): **\$150K-\$250K**
- Energy Credit (for CNG) State/Federal Programs: **\$300K-\$350K**
- Federal Excise Tax Rebate (for CNG) Expired Dec. 2016 **was \$500K**
- Bus Advertising (restricted by fleet size) **\$150K - \$225K**
- Federal CMAQ Grants - **\$500K+/-**
 - Covers start up of new service – costs not eligible after 3 yrs
 - Emissions Reduction Efforts (Near Zero Engine Rehab)

OPPORTUNITIES

New Revenue

Senate Bill 1 (SB1)



Cap and Trade



New Revenue - SB1

- New State Gas Tax (SB1) will Increase (Approx. Double) STA
- GCTD's STA FY16-17 Allocation was \$146K (0.6% of budget)
- SB1 will provide a larger share of STA funds to VCTC to distribute for TRANSIT purposes in Ventura County:
 - **\$2.7 Million Annually in STA Formula Funds, and**
 - **\$1.0 Million Annually in "State of Good Repair"**
(Maintenance/ Bus Rehab/Replacements may be eligible)

New Revenue - Cap & Trade Funds

- LCTOP - \$60K - GCTD will use to offset Mobile Ticket Costs
- TIRCP -- Highly Competitive (For Rail / Bus)
 - Intended to go to "transformative" capital projects and fleet modernization programs

OPPORTUNITIES



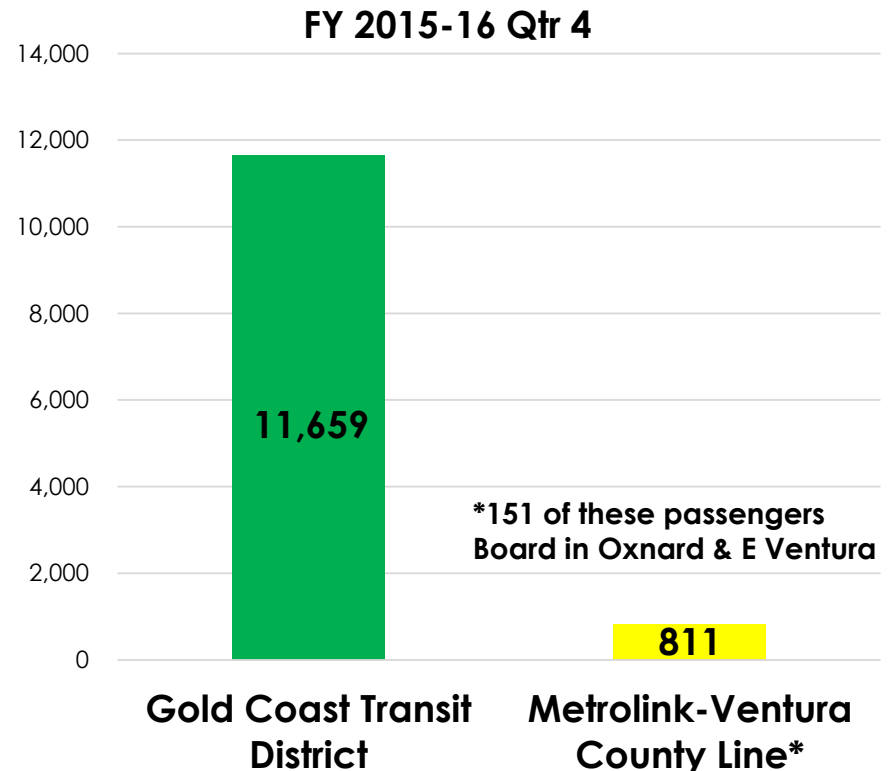
The VCTC will determine priorities for distribution of SB1 *TRANSIT* funds in the near future.

Metrolink has indicated that they have capital needs that could easily use up ALL of Ventura County's new STA transit funds.

While we support rail connectivity, Metrolink represents less than 1.3% of transit boardings in the *GCTD service area*.

AVG WEEKDAY BOARDINGS Metrolink & GCTD In Ventura County

(Source: Metrolink Website / GCTD 4th Qtr Report)



It is critical that need and equity be considered as factors in the distribution of SB1 Transit funds in Ventura County.



FOR THE FUTURE

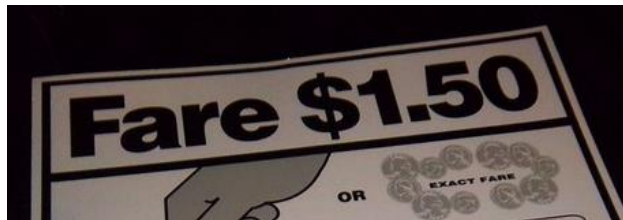
3 LONG TERM STRATEGIES for Addressing Funding Needs

- 1. Fare Policy Review**
- 2. Property Study (301 East 3rd Street)**
- 3. Transit Revenue Measure**



FARE POLICY REVIEW

- **Last Fare Increase in 2011** (Currently \$1.50)
 - GCTD fares currently higher than VCTC base fares.

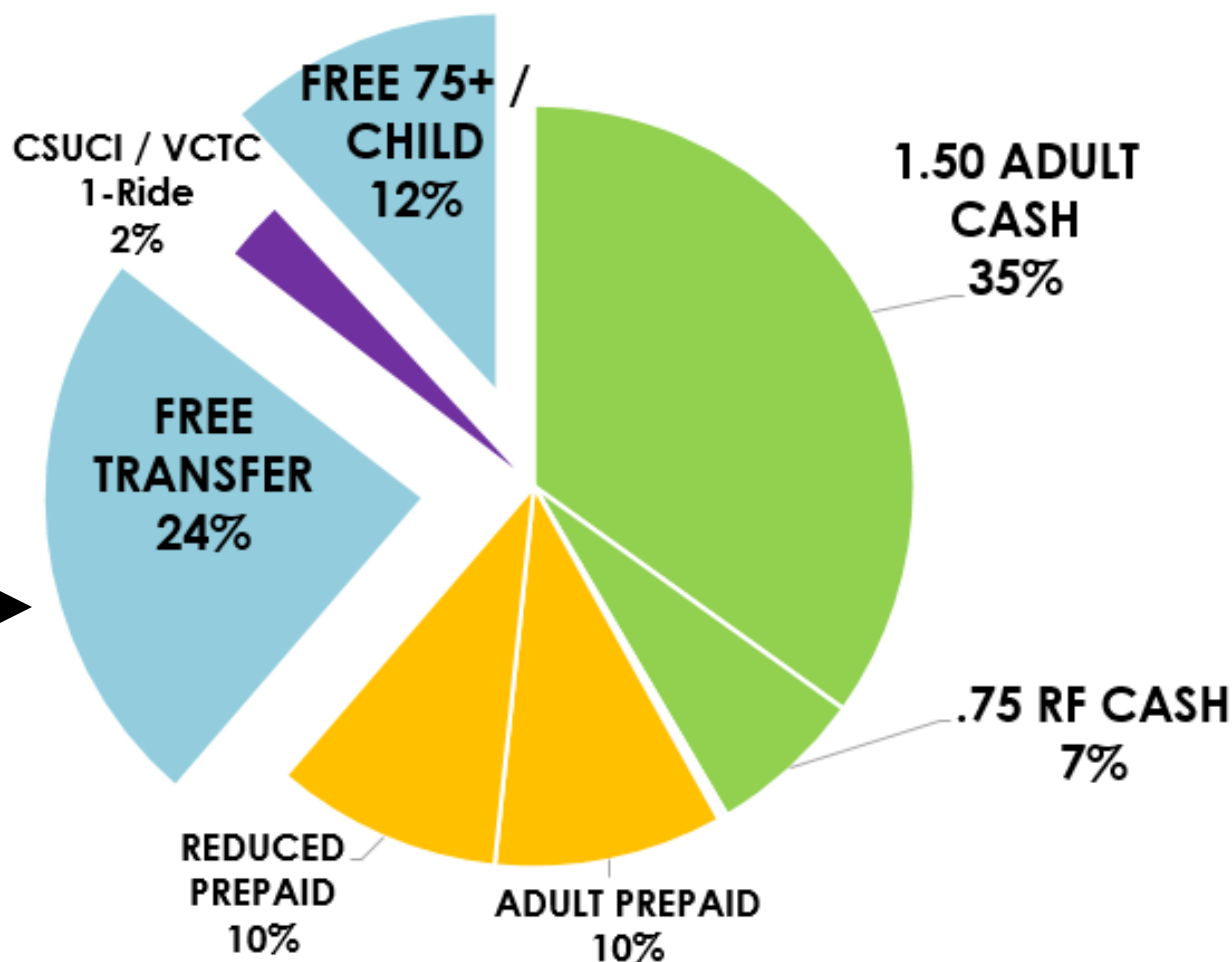


Average fare collected is just .81 cents per passenger

- **29% Reduced/Discounted**
- **36% ride FREE**
 - 24% “Free transfer” (many use transfer as a round trip)
 - 12% “Free 75+ or Child”
- **35% Pay Full Fare**

FARE CHANGES

GCTD Fares By Type FY 16-17



FARE CHANGES

For Discussion:

- **Introducing Fare Changes could have negative effect on ridership.**
- **GCTD could conduct Fare Analysis / Policy Review**
 - Impacts of elimination of “free” transfers
 - Impacts of changing FREE / Reduced fare categories
 - Options for Coordination with regional transit operators
- **Will require Title VI equity analysis / public outreach**

ATTENTION PASSENGERS

**TRANSIT
FARE STUDY**

COMMUNITY MEETINGS

What happens to District owned property when we move?



301 EAST 3rd ST

- **GCTD has already received several inquiries from interested parties as to the future of this property.**
- **It is prudent that GCTD consider issuing a Request For Proposal (RFP) to help us determine what the “Highest and Best Use” might be:**
 - Value if Sold (1 time revenue)
 - Options for Joint Development
 - Lease Options (Recurring revenue)

REVENUE OPTIONS

301 EAST 3rd ST

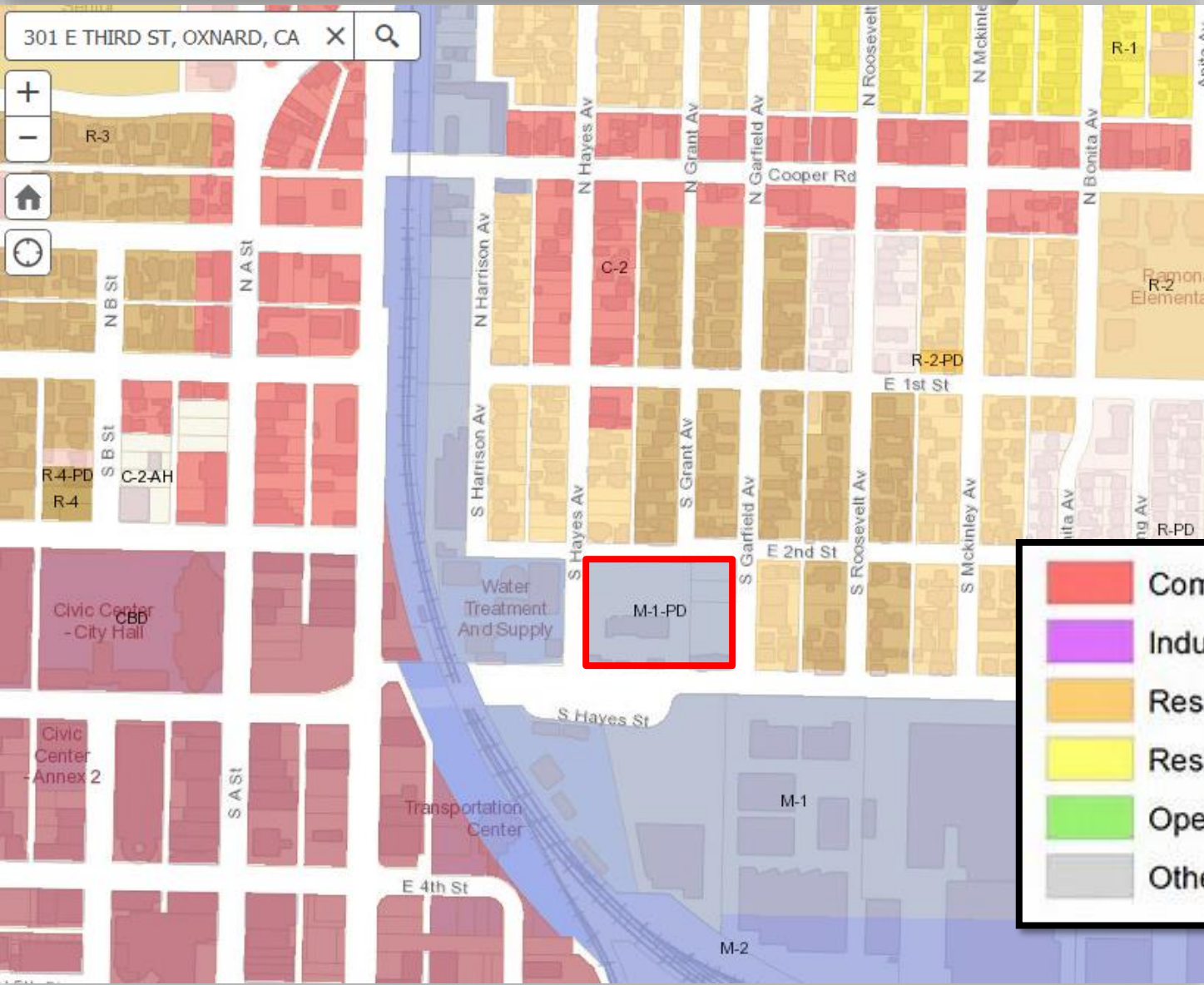


**301 East
3rd Street**

3RD St Bridge

**TRANSIT
CENTER**

301 EAST 3rd ST



- | | |
|---|----------------------------|
|  | Commercial |
|  | Industrial |
|  | Residential: Multifamily |
|  | Residential: Single Family |
|  | Open |
|  | Other |

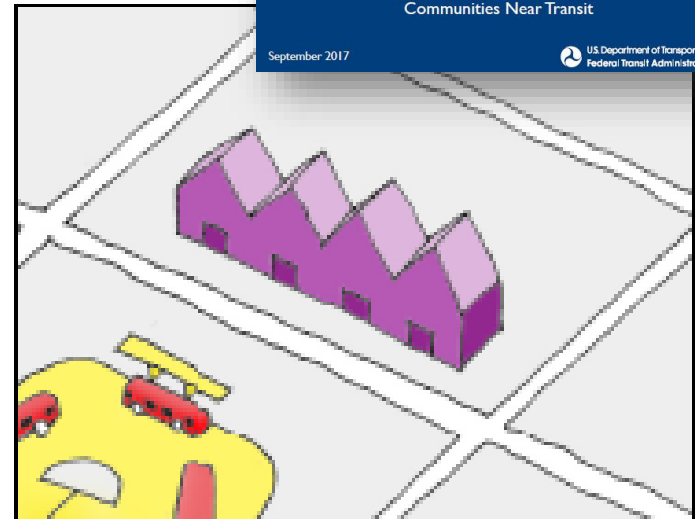
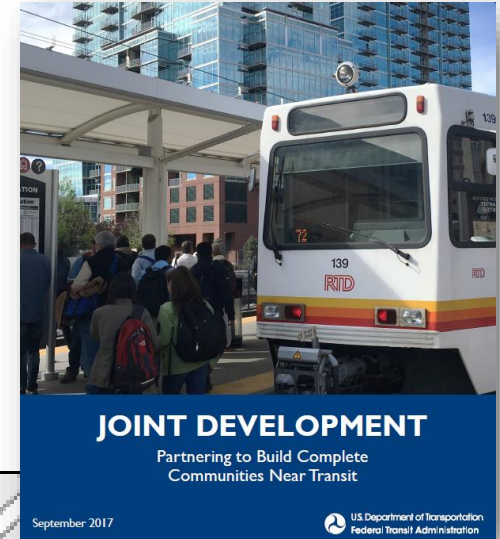
301 EAST 3rd ST

Joint Development

Transit agency provides property and benefits by sharing revenues from the real estate development.

- **Benefit to community**
 - Infill Housing /Job Center
 - Access to Transit

Possible long term revenue source to support transit.



Converting a surface parking lot near a bus facility to affordable housing

“Lease” Option: Case Study

**In 2016, Tyler Texas –
Unused transit building leased to
city for “Innovator’s Lab” for
public and non-profit use.**

**The public space provides
access to electronics and
equipment that can foster
ingenuity and entrepreneurship.**

**Lease revenue is used to
support transit services.**



TRANSIT INITIATIVE

Transit Initiatives –

In light of state and federal funding uncertainties, transit initiatives can provide a source of locally generated funding for transit.

But it is not that easy...



Monterey-Salinas Transit

On November 4, 2014, the voters of Monterey County voters approved the first-ever countywide “transit” sales tax measure *specifically* for Senior Citizens, Veterans and People with Disabilities.



Transitioned from JPA to District in 2010 –

Cities of Carmel, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, Soledad and the County of Monterey.

Operating Budget FY 2016: \$37 Million

Passengers Carried: 4,291,955

TRANSIT INITIATIVE

MST formula was to “Go Small”...

Otherwise known as Measure Q, it will raise approximately **\$7 million** per year through a **1/8th cent** sales tax, which will expire after 15 years unless renewed by the voters.

A very small measure for very specific purpose, enabled MST to earn the support it needed.



TRANSIT INITIATIVE



A similar 1/8 cent tax measure in Ventura County, could generate about \$17 million per year for Countywide Transit.

In the GCTD service area this would = approx. \$8.5M per year.

Challenges / Realities:

- **Most voters are not transit riders.**
- **Takes time to plan / educate the public.**
- **Would require supermajority to pass and unanimous support from cities.**

NEXT STEPS

Provide feedback to staff on...

1. Review of Fare Policies
2. 301 East 3rd Street Property
3. Transit Revenue Measure
4. Other Ideas ?

NEXT STEPS:

Staff will summarize feedback and develop a recommended plan of action for consideration at a future Board Meeting.