



Council Agenda Report

Item 8a

Department: Public Works
Cost Center: 5201
For Agenda of: 7/16/2024
Placement: Study Session
Estimated Time: 120 Minutes

FROM: Matt Horn, Public Works Director
Prepared By: Alex Fuchs, Mobility Services Business Manager

SUBJECT: STUDY SESSION: SLO TRANSIT SHORT-RANGE TRANSIT PLAN
UPDATE STUDY SESSION

RECOMMENDATION

Receive a presentation on the progress of SLO Transit's Short-Range Transit Plan update, including service alternatives analysis, provide direction regarding which service alternatives to incorporate into the plan update, and provide direction to staff to return in fall 2024 with a draft plan for Council's review.

POLICY CONTEXT

Federal statutes require that the San Luis Obispo Council of Governments (SLOCOG) develop and periodically update a long-range Regional Transportation Plan (RTP) and a Transportation Improvement Plan. The Transportation Improvement Plan is referred to in the San Luis Obispo region as the Federal Transportation Improvement Plan (FTIP). The FTIP implements the RTP through the programming of federal funds to transportation projects identified in the RTP. SLOCOG requires each transit agency receiving federal funding through the FTIP to prepare and adopt a Short-Range Transit Plan (SRTP) every five years.

Policy 3.1.2 (City Bus Service) of the City's General Plan Circulation Element states that the City will improve and expand bus service to make the system more convenient and accessible for everyone. The policy also states that the City will attempt to maintain and improve all transit standards identified in the City's SRTP. Program 3.2.1 (Transit Plans) of the City's General Plan Circulation Element states that the City will continue to implement the SRTP and coordinate with SLOCOG on implementing the RTP. Program 3.2.3 (Commuter Bus Service) of the City's General Plan Circulation Element states that the City will work with the San Luis Obispo Regional Transit Authority (RTA) to maintain and expand commuter bus service to and from the City of San Luis Obispo during peak commute periods consistent with the SRTP and the RTP.

REPORT-IN-BRIEF

Every five years, the City is required to complete an update to its Short-Range Transit Plan (SRTP). The SRTP serves as SLO Transit's business plan for the five-year period and provides operating and capital project recommendations to help achieve the City's transportation goals. The City and San Luis Obispo Regional Transit Authority (RTA) kicked off a joint SRTP update in September 2023. The update is roughly at the halfway mark with the completion of the fourth of eight working papers. Working Paper 4 analyzes service alternatives to better meet current and future community needs. Staff is requesting Council review the service alternatives and provide direction as to which should be incorporated in the draft SRTP.

DISCUSSION

Background

The previous Short-Range Transit Plan (2016 SRTP) was adopted in September 2016 and provided capital and operational recommendations for Fiscal Years (FYs) 2017 through 2021. The 2016 SRTP was the first joint SLO Transit and RTA plan update work effort. Multiple recommendations from the 2016 SRTP were implemented by the City, including implementation of the bi-directional fixed route system, creation of the Laguna Tripper service, later service on weekdays during the academic year, and an increase in pass and fare rates. The current SRTP update was scheduled to begin in 2020 but was delayed due to the COVID pandemic and staff turnover in the City's Transit program.

In June 2023, RTA released a Request for Proposals (RFP) for a joint SRTP update for RTA and SLO Transit. RTA received one bid response from LSC Transportation Consultants, Inc. (LSC)¹. LSC has extensive experience developing transit plans across the western United States and is the same firm that completed the 2016 SRTP. In September 2023, RTA executed an agreement with LSC for the joint SRTP update. LSC's approach to the work is projected to take 15 months and includes development of eight Working Papers that will be compiled into a draft plan. The Working Papers and their contents are outlined below.

- Working Paper 1 – Overview of Transit Services
- Working Paper 2 – Goals, Objectives, and Standards
- Working Paper 3 – Service and System Evaluation
- Working Paper 4 – Service Alternatives Analysis
- Working Paper 5 – Operating Budget and Financial Projections
- Working Paper 6 – Marketing Plans and Goals
- Working Paper 7 – Capital Improvement Plans
- Working Paper 8 – Joint Coordination between SLO Transit and RTA Analysis

¹ [LSC Transportation Consultants, Inc. Joint SRTP Proposal](#)

So far, LSC has produced Working Papers 1, 2, 3, and 4 and is on track to provide a full draft plan for staff's review in September 2024. Due to the size of the documents, links to Working Papers 1², 2³, and 3⁴ are provided in the footnotes of this report. Working Paper 4 – Service Alternatives Analysis – is included as Attachment A to this report. Staff anticipates returning to Council with a draft plan in November 2024 and a final plan for adoption in January 2025. The adopted plan's recommendations will be incorporated into the City's 2025-27 Financial Plan.

Summary of Working Paper 1 – Overview of Transit Services

Working Paper 1 provides an overview of the existing services, fare structure, and capital assets (fleet and facilities) for SLO Transit and for RTA. LSC also provides an overview of other public transit services in the region, including brief discussions of the various public transportation, nonprofit transportation, and private for-profit transportation providers. In Appendix A of the Working Paper, LSC summarizes regional, local, and agency specific plans and studies completed since the 2016 SRTP or currently underway.

Summary of Working Paper 2 – Goals, Objectives, and Standards

An important element in the success of any organization is a clear and concise set of goals and objectives, as well as the performance measures and standards needed to attain them. Working Paper 2 compares SLO Transit's FY 2022-23 performance against existing performance standards, analyzes peer transit agencies to inform development of revised performance standard recommendations, and then presents recommendations for SLO Transit's goals, objectives, and standards.

In the past two SRTPs, SLO Transit's performance measures were tied directly to the performance of peer agencies. Given the City's mode split objective of 7 percent of trips by transit by 2030 and 12 percent of trips by transit by 2035, Working Paper 2 recommends no longer linking SLO Transit's performance standards to peer transit agencies. Instead, in this SRTP, peer agency's performance will be used as a gauge to understand whether SLO Transit is performing within industry norms. Peer agencies were selected using three main criteria: university campus enrollment, city population, and number of buses in maximum fixed route service. Based on these criteria, Bloomington-Normal, IL; Pocatello, ID; Bowling Green, KY; Flagstaff, AZ; St. Cloud MN; and Pueblo, CO were selected as peer agencies.

Working Paper 2 recommends establishing a minimum standard and a higher, target maximum standard for the following key performance measures: productivity (passengers per vehicle revenue hour), cost-effectiveness (operating cost per passenger trip), and cost-efficiency (operating cost per vehicle revenue hour). These target standards are based on FY 2015-16 when ridership was at its highest point at just over 1.2 million boardings.

² [Working Paper 1 – Overview of Transit Services](#)

³ [Working Paper 2 – Goals, Objectives, and Standards](#)

⁴ [Working Paper 3 – Service and System Evaluation](#)

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A significant increase in ridership is needed to achieve the City's mode split objectives while maintaining the required Farebox Recovery Ratio (FFR) of 20 percent. Working Paper 2 recommends minimum and target standards for key measurements to track progress toward meeting the mode split objectives while also meeting SLO Transit's FFR requirement. Below are the recommended measures for productivity, cost-effectiveness, and cost-efficiency standards.

- **Passengers per Vehicle Revenue Hour** – a minimum of 11.5 based on the peer average and a target standard of 36 based on ridership in FY 2015-16.
- **Operating Cost per Passenger Trip** – set a maximum of \$11.23 based on the peer average and a target standard of \$3.85 based on current system costs and ridership in FY 2015-16.
- **Operating Cost per Vehicle Revenue Hour** – set a maximum of \$145 based on FY 2022-23 actuals and a target standard of \$137.04 based on vehicle revenue hours and miles provided in FY 2015-16.

Productivity for transit systems is measured by the number of passengers transported per vehicle revenue hour. Based on FY 2015-16 ridership, LSC recommends SLO Transit maintain a minimum of 11.5 passengers per revenue hour with a target of 36 passengers per revenue hour. Cost-effectiveness is measured by dividing total operating costs by the total number of passengers trips taken annually. For SLO Transit, LSC recommends a maximum of \$11.23 per passenger with a target of \$3.85 per passenger. Cost-efficiency is measured by dividing total operating costs by the total number of hours when services are provided. LSC recommends a maximum of \$145 per hour with a target of \$137.04 per hour. These three performance measurements are useful to monitoring the impacts of service changes and whether the service changes are helping SLO Transit to increase ridership and meet the City's mode split objectives more effectively and efficiently.

Working Paper 2 includes other recommended changes to SLO Transit's performance standards based on the recently completed Transit Innovation Study. These recommended changes include increasing service frequency from 30 minutes at peak and 60 minutes at off-peak to 15 minutes at peak and 30 minutes at off-peak, expand fare and pass options, provide lighting at 100 percent of bus stops, and expand span of service⁵ hours on weekends. A full list of recommended performance standards can be found in Table 4 of Working Paper 2.

Summary of Working Paper 3 – Service and System Evaluation

Working Paper 3 is a key document in the preparation of the SRTP update as it identifies and analyzes existing and future public needs for transit services. The document covers demographic and economic factors related to transit demand, evaluates ten years of SLO Transit's operations and performance data, and the appendices present data from the onboard survey, community survey, and stakeholder workshop feedback.

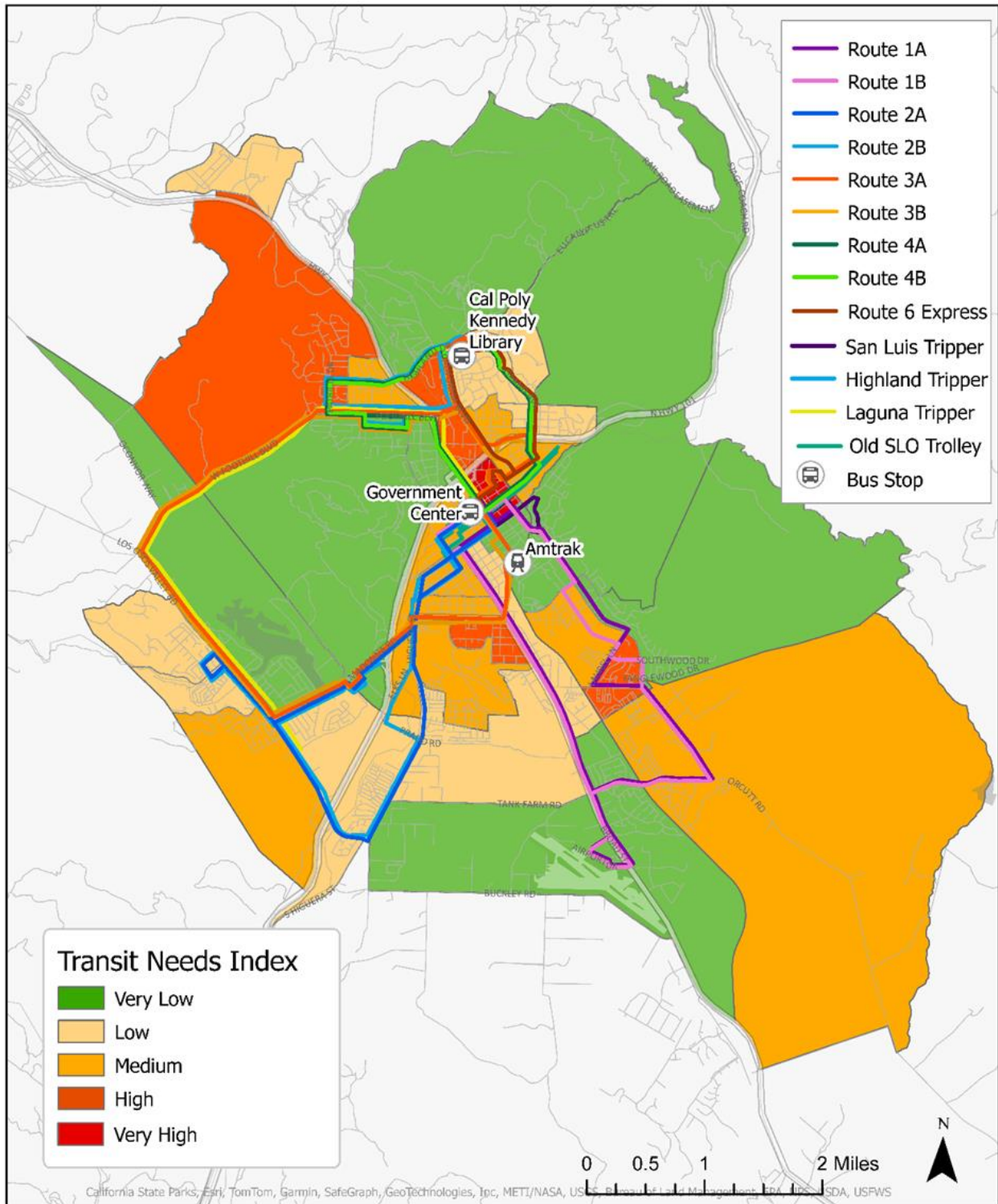
⁵ Span of Service means the number of hours during a day that transit service is provided.

Transit Needs Index Assessment

LSC performed a Transit Needs Index (TNI) assessment as part of the demographic and economic data analysis. A TNI shows which areas have the greatest relative need for transit services based on the concentration of transit-dependent residents. The transit-dependent individuals are typically considered to comprise youths, senior adults, persons with a disability, low-income persons, and persons who live in zero-vehicle households. All these areas are provided with some level of services by SLO Transit.

Census block groups encompassing the Downtown area and south-central San Luis Obispo have the overall highest TNI ranks, scoring either high or very high for most of the demographic categories considered. It makes sense that the Downtown area ranks very high on the TNI since most of the residential areas lack dedicated parking and/or are considered low-income housing like the Wineman Apartments building. Block groups with moderate transit need, based on the TNI, are found in northeastern, eastern, and southeastern San Luis Obispo, along S. Higuera Street, Foothill Boulevard, and Highland Drive, as well as near the southern portion of the Cal Poly campus. Figure 1 shows the TNI ranks for the census block groups that make up the City.

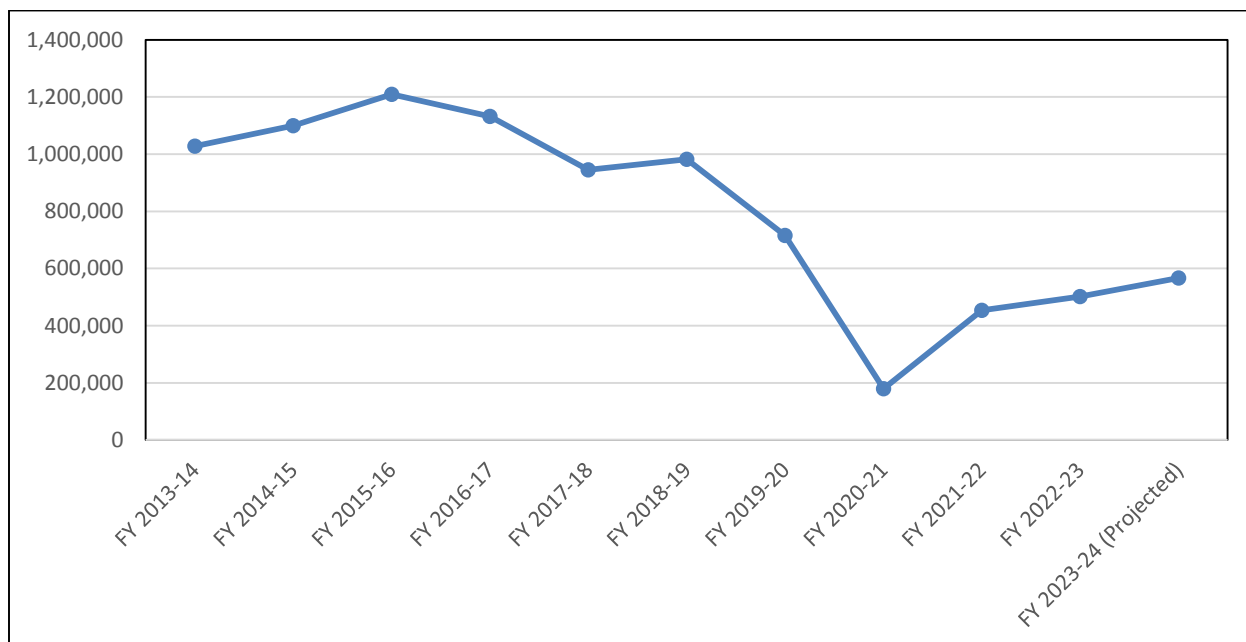
Figure 1 - City of San Luis Obispo Transit Needs Index Map



Ten-Year Trends Analysis

LSC’s ten-year trend analysis of SLO Transit’s operations reveals the significant impact the COVID pandemic and the nationwide driver shortage that followed had on ridership and service levels. Ridership peaked in FY 2015-16 with more than 1.2 million boardings then proceeded to decline slightly until FY 2018-19 with a significant decline in FY 2019-20 and FY 2020-21 due to the pandemic. Ridership recovered quickly in FY 2021-22 and FY 2022-23 but is still less than half when compared to FY 2015-16 data as shown in Figure 2.

Figure 2 - SLO Transit Annual Ridership (FY2013 - FY 2024)



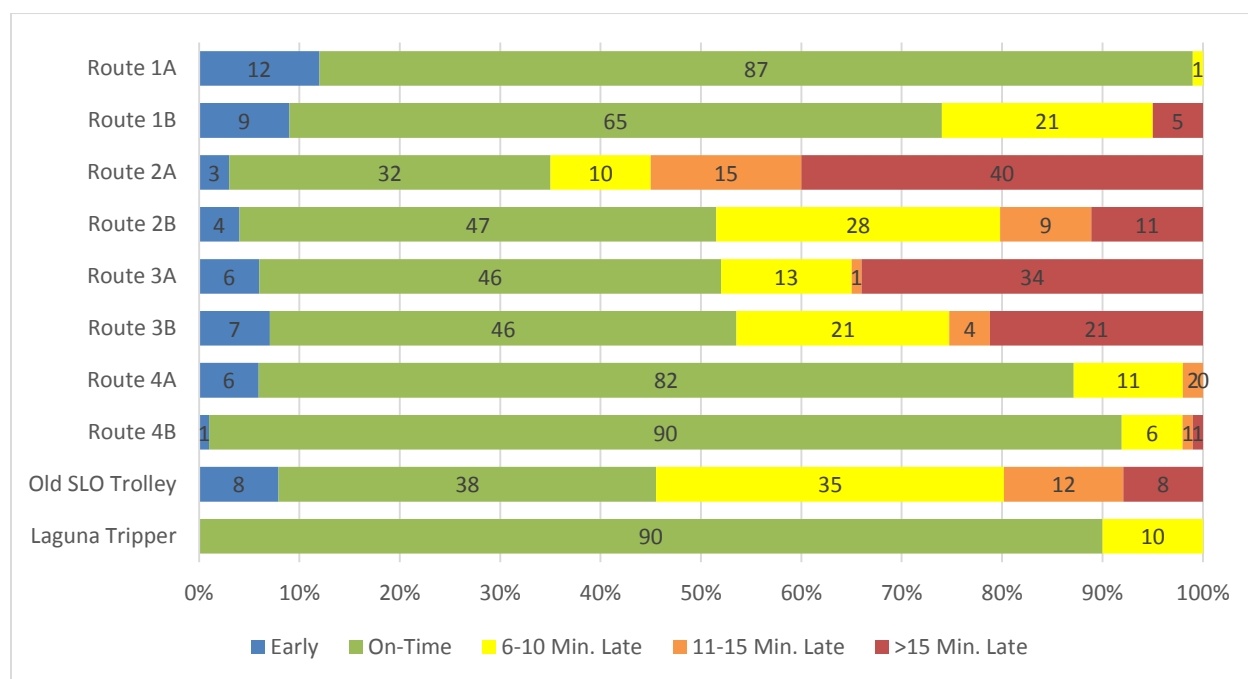
LSC’s trend analysis also shows that operating costs have increased 31 percent over the past ten years, which is similar to increase in the Consumer Price Index (CPI) over the same period. This indicates that SLO Transit’s operating costs have not increased more than inflation. Local revenue, which includes cash fares and funding from the Cal Poly Transit Service Agreement, has only increased by 14 percent over the past ten years. Service miles and service hours decreased by 14 percent and 6 percent, respectively, over the ten-year period. The reduction in miles and hours is due to service reductions made during the pandemic and the slow service restoration that followed due to driver shortages. As of the writing of this report, SLO Transit still has several services suspended including the San Luis Tripper, Highland Tripper, and Route 6 Express.

FY 2022-23 Operations and Performance

In FY 2022-23, Route 4A had the greatest ridership followed by Routes 3A, 2A, and 4B which is relatively consistent with prior years’ ridership trends. Higher ridership tends to be observed on the A routes versus B routes because the A routes operate more days of the week and for longer hours. Services oriented toward Cal Poly and K-12 students (Routes 3 and 4 and the Laguna Tripper) were the most productive and cost-efficient when comparing the proposed performance standards discussed in Working Paper 2.

On-time performance was also recorded as part of the October 2023 onboard surveying efforts. Based on the data collected and presented in Figure 3 in this report, Routes 1A, 4A, 4B, and the Laguna Tripper had the best on-time performance as they were on-time for 80 percent or more of the timepoint stops. Route 2A and the Old SLO Trolley had the largest proportions of timepoints for which the bus left late. Routes 2A, 3A, and 3B had the largest proportions of timepoints for which the bus left more than 15 minutes late. The data suggests that on-time performance is a challenge for SLO Transit, especially on Routes 2 and 3. On-time performance is an important aspect of service quality and reliability and the SRTP update will consider service modifications to improve on-time performance.

Figure 3 - On-Time Performance by Route



Since the peak of the pandemic in FY 2020-21, SLO Transit systemwide performance has slowly improved with the return of both local and Cal Poly ridership. However, it is likely that significant service modifications will be needed to increase SLO Transit ridership to the levels necessary to achieve the City of San Luis Obispo’s adopted transit mode split objectives. LSC’s performance analysis also reveals service inefficiencies that should be addressed to increase reliability and the community’s confidence in transit as a viable transportation option. Service alternatives meant to address the City’s mode split objective and improve service performance based on the data collected by LSC were analyzed and compiled into Working Paper 4.

Summary of Working Paper 4 – Service Alternatives Analysis

Preparation of service alternatives is one of the major components of any SRTP. The data and feedback documented in the first three working papers is used to develop service alternatives that will best address the current and future needs of the community. Many of the service alternatives analyzed in Working Paper are focused on increasing

ridership to help achieve the City's transit mode split objective. The impacts of the alternatives are presented separately in this working paper, but the combined impacts will be included in forthcoming Working Paper 5 – Operating Budget and Financial Projections and Working Paper 7 – Capital Improvement Plans.

The service alternatives are organized by the type of change proposed into four categories: (1) changes to service frequency, (2) changes to service hours, (3) Microtransit service, and (4) routing and service reestablishment alternatives. The various alternatives are then compared using the new performance standards recommended in Working Paper 2. Ridership and operating costs impacts are estimated based on FY 2022-23 actuals and FY 2023-24 projected figures.

Service Frequency Alternatives

The Transit Innovations Study recommended increasing service frequency to improve service quality and increase ridership. More frequent service was one of the most requested improvements during the onboard passenger survey (42 percent of respondents). The options discussed demonstrate the wide range of potential impacts that can result from increasing service frequency to differing extents. Table 1 summarizes the service frequency alternatives and potential impacts.

Service frequency is typically measured by the number of buses per hour or by time between buses on a particular route. This measurement is often referred to as headways⁶. For example, SLO Transit's 1A Route has one bus running per hour, so this route is considered to have hourly headways. Doubling service frequency on Route 1A would increase the number of buses running per hour and reduce the time between buses to 30-minute headways. Several of the service alternatives scenarios analyzed include doubling frequency on all routes or on select routes including scenarios where frequency is double for the entire service day or for portions of the service day.

⁶ Headway means the average interval of time between vehicles moving in the same direction on the same route

Table 1 - Service Frequency Alternatives

Service Alternative	Status Quo ⁷	Changes in Annual Service					
	Ridership	Ridership	Service Hours	Service Miles	Marginal Operating Cost	Cash Fares	Add'l Buses Needed
Increase Route 4 Service Frequency During Academic Year							
Route 4A (8:00 am to 10:00 am)	152,800	4,200	300	2,300	\$ 20,200	\$ 300	1
Route 4B (3:00 pm to 5:00 pm)	70,900	3,900	300	2,100	\$ 19,700	\$ 300	1
Double Service Frequency on Routes 1, 2, 3, and 4 (A & B)							
Full Service Day ⁸ , Year-Round	574,100 ⁹	208,300	33,500	347,000	\$ 2,455,000	\$ 83,500	8
8:00 am to 6:00 pm, Weekdays, Year-Round	574,100	119,700	19,600	234,200	\$ 1,505,800	\$ 48,000	8
Full Service Day, Weekdays, Academic Year	574,100	153,600	20,900	231,700	\$ 1,565,500	\$ 61,600	8
Double Service Frequency on Routes 1A, 2A, 3A, 4A							
Full Service Day, Weekdays, Academic Year	383,700	89,600	11,300	133,800	\$ 865,400	\$ 35,900	4
Double Service Frequency on Routes 3A, 3B, 4A, 4B							
Full Service Day, Weekdays, Academic Year	384,100	101,200	11,600	136,100	\$ 885,600	\$ 40,600	4

Route 4 is the most popular service and provides direct connection between Cal Poly, the Foothill Blvd. area, and the downtown. Increased service frequency on Route 4 would primarily benefit Cal Poly students, faculty, staff, and general riders that access the campus. SLO Transit would likely see a marginal increase in cash fares since Cal Poly riders are covered under a Transit Service Agreement (TSA) with Cal Poly. The current TSA term is from July 1, 2024, through June 30, 2027, with an annual payment of \$750,000 to the City for services provided.

The TSA allows for the City or for Cal Poly to request reopening the agreement if (1) Cal Poly ridership increases or decreases by 10% or more in a year or (2) if the City increases the fare box rate of 25% over the duration of the agreement. Changes to Cal Poly ridership resulting from any service alternatives will be monitored to see if this triggers the ability to reopen the agreement for further negotiations.

LSC analyzed five different scenarios in which service frequency is doubled across select or all fixed routes at different periods throughout the year. Doubling the frequency would result in service every 25 to 30 minutes and would directly address the top recommendation of the Transit Innovation Study. However, doubling service as analyzed under all five scenarios would also require significant operating and capital investments. Operating costs would increase between \$865,400 and \$2.45 million annually and capital costs would require purchase of four to eight additional buses.

⁷ Based on FY 2023-24 actual ridership through March 31, 2024 projected through the end of the year

⁸ Full Service Day means the total number of hours a day that transit service is provided.

⁹ System-Wide

Span of Service Alternatives

The next set of alternatives focus on the hours that transit services operate also referred to as “span of service.” Passengers requested multiple changes to the span of service during the onboard passenger survey; the most requested service improvements were later evening service (54 percent of respondents), more frequent service (42 percent), additional Saturday service (39 percent), and additional Sunday service (32 percent). Table 2 summarizes the span of service alternatives and potential impacts.

Table 2 - Span of Service Alternatives

Service Alternative	Status Quo	Changes in Annual Service					
	Ridership	Ridership	Service Hours	Service Miles	Marginal Operating Cost	Cash Fares	Add'l Buses Needed
Extend Weekday Evening Service on A Routes							
Extend Service to 12:00 am, Academic Year	383,700	5,100	1,000	10,900	\$ 74,500	\$ 2,000	0
Extend Service to 10:00 pm, Non-Academic Year	383,700	2,200	700	7,000	\$ 50,700	\$ 900	0
Expand Service on B Routes							
Operate B Routes on Weekends, 7:45 am to 8:00 pm	178,700	39,600	3,200	46,100	\$ 263,100	\$ 15,900	0
Operate 3B and 4B on Weekends	178,700	29,400	1,600	25,300	\$ 136,700	\$ 11,800	0
Extend Routes 1B and 2B until 10:00 pm, Weekdays, Academic Year	178,700	4,000	1,400	14,500	\$ 102,600	\$ 1,600	0
Provide Academic Year Service Levels Year-Round							
	574,100	16,300	2,300	26,400	\$ 174,300	\$ 6,500	0

To provide residents with a later-night transit option, two alternatives for extending service on Routes 1A, 2A, 3A, and 4A were considered. Currently, the last departures on weekdays during the academic year on the A Routes occur at 9:15 PM (Routes 1A and 2A), 10:15 PM (Route 3A) and 10:30 (Route 4A). Based on late evening ridership on transit services at other California universities, this additional service is estimated to increase ridership by 5,100 boardings per year. This alternative would not require an additional bus to operate, but it would increase annual operating cost by \$80,200.

During the non-academic year, the last runs start at 7:15 PM on Routes 1A, 2A, and 3A and 7:30 PM on Route 4A. Extending service until 10:00 PM would require operating two additional runs on Routes 1, 2, and 3, and three additional runs on Route 4. Based on ridership from comparative agencies during academic and non-academic periods, these additional runs would generate 2,200 passenger-trips per year, increase annual operating costs increased by \$50,700, and would result in a minimal increase in cash fare revenue. No additional buses would be required.

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Three route B service expansion scenarios were analyzed including operation of all B routes on the weekends, operation of only Routes 3B and 4B on the weekends, and extending Routes 1B and 2B on weekdays. Both scenarios analyzing operation of the B routes on weekends is estimated to result in significant increases to ridership but also to service miles and to operating costs. Extension of Routes 1B and 2B on weekdays is estimated to slightly increase ridership but would have a significant impact on operating costs. None of the three scenarios require additional buses since the existing fleet is sufficient to provide the service.

Lastly, Cal Poly plans to transition to a semester system beginning Fall 2026 which means class sessions would begin earlier and end later than under the current quarter system. There may also be more opportunities for students to attend summer classes through a semester system. LSC analyzed the potential impacts of providing academic service levels year-round. This scenario would increase annual vehicle-hours and annual vehicle-miles but also increase ridership and cash fares. Annual operating costs would be increased by \$174,300 however no additional buses would be required. This option also has the benefit of providing more consistent year-round driver schedules, which has the potential to increase driver retention.

As stated above, any service alternatives that result in an increase to Cal Poly ridership would allow the City to request a reopening of the TSA to further negotiations. Staff already tracks Cal Poly ridership and any implemented service changes would be easy to monitor.

Microtransit Service Alternatives

Microtransit utilizes the app-based technology developed for transportation network companies like Uber and Lyft to provide real-time, on-demand transit service. In recent years, many public transit agencies have begun using Microtransit to provide transit coverage over areas not served efficiently by fixed routes. Microtransit has also been found to be effective in areas with high demand for short trips. Most Microtransit passengers request rides and pay fares through an app or over the phone. Table 3 summarizes the Microtransit service alternatives and potential impacts.

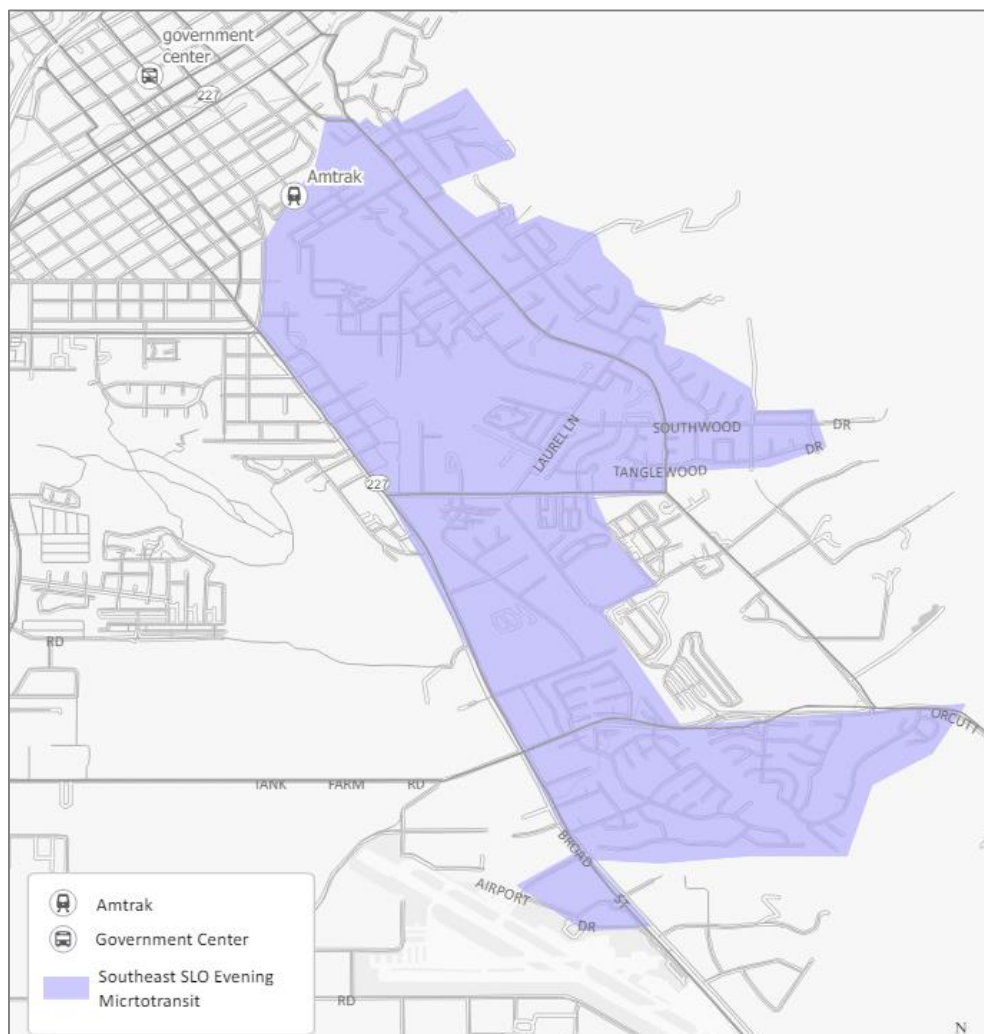
Table 3 - Microtransit Service Alternatives

Service Alternative	Status Quo	Changes in Annual Service					
	Ridership	Ridership	Service Hours	Service Miles	Marginal Operating Cost	Cash Fares	Add'l Buses Needed
Evening Microtransit, Southeast SLO							
7:00 pm to 10:00 pm, weekdays, Year-Round	55,900	100	500	8,800	\$ 33,600	\$ 200	2
Late Night Microtransit, Citywide							
10:00 pm to 12:00am, Weekdays, Academic Year	574,100	4,700	1,400	17,500	\$ 122,800	\$ 11,100	3
10:00 pm to 12:00am, 7 Days/Week, Academic Year	574,100	7,100	1,700	21,625	\$ 160,600	\$ 11,100	3

As part of this alternative, replacing Route 1A with Microtransit service between the hours of 7:00 PM and 9:00 PM on a year-round basis was reviewed. Routes 1A and 1B serve residences in southeast San Luis Obispo as well as the San Luis Airport. Figure 4 presents an example Microtransit service in the southeast service area of the City. In order to serve the level of transit demand currently seen on Route 1A during the evening hours, two vehicles would be needed to provide service.

This would cost an additional \$33,600 annually in operating costs (including the costs of the annual technology license). As SLO Transit does not currently have small vehicles in their fleet, two vans would also need to be procured to operate this service. There would be a small increase in ridership over the existing Route 1A evening ridership by around 100 trips per year but, as development progresses along Tank Farm Rd., Microtransit service area could be expanded. However, as demand for service increases, another vehicle would be required, which would further increase costs.

Figure 4 - Microtransit in Southeast Service Area



Microtransit could be provided to the entire city as a “Late Night” service. SLO Transit services are not available past 11:00 PM and only Routes 3 and 4 operate this late during the academic year. As part of this alternative, Microtransit would be available between 10:00 PM and midnight during the academic year. This alternative assumes that three vans would be used for an annual operating cost between \$122,800 and \$160,600 annually depending on the days of service. Ridership was estimated by reviewing ridership by hour on other Microtransit services and would result in modest increases.

If implemented, staff recommends that Microtransit be provided as a one-to-two-year pilot program once the necessary vehicles and management software is obtained. A pilot program could be implemented by leasing vehicles and associated software from a transit service provider so that the City does not have to buy vehicles. The current agreement with Transdev, the City’s transit operations and maintenance services provider, expires on June 30, 2025 and allows for a one-year extension through June 30, 2026. An option for a Microtransit pilot program can be included in the next Request for Proposals for transit operations and maintenance services.

Route Realignment and Service Reestablishment Alternatives

LSC analyzed routing realignments based on the performance data and survey feedback collected and analyzed as part of Working Paper 3. LSC also analyzed impacts of reestablishing tripper and express services provided prior to the onset of the pandemic. SLO Transit plans to reestablish these services and this analysis provides insight into potential revenue, costs, and ridership changes associated with the reestablishment. Table 4 summarizes the route realignment and service reinstatement alternatives and potential impacts.

Table 4 – Route Realignment and Service Reinstatement Alternatives

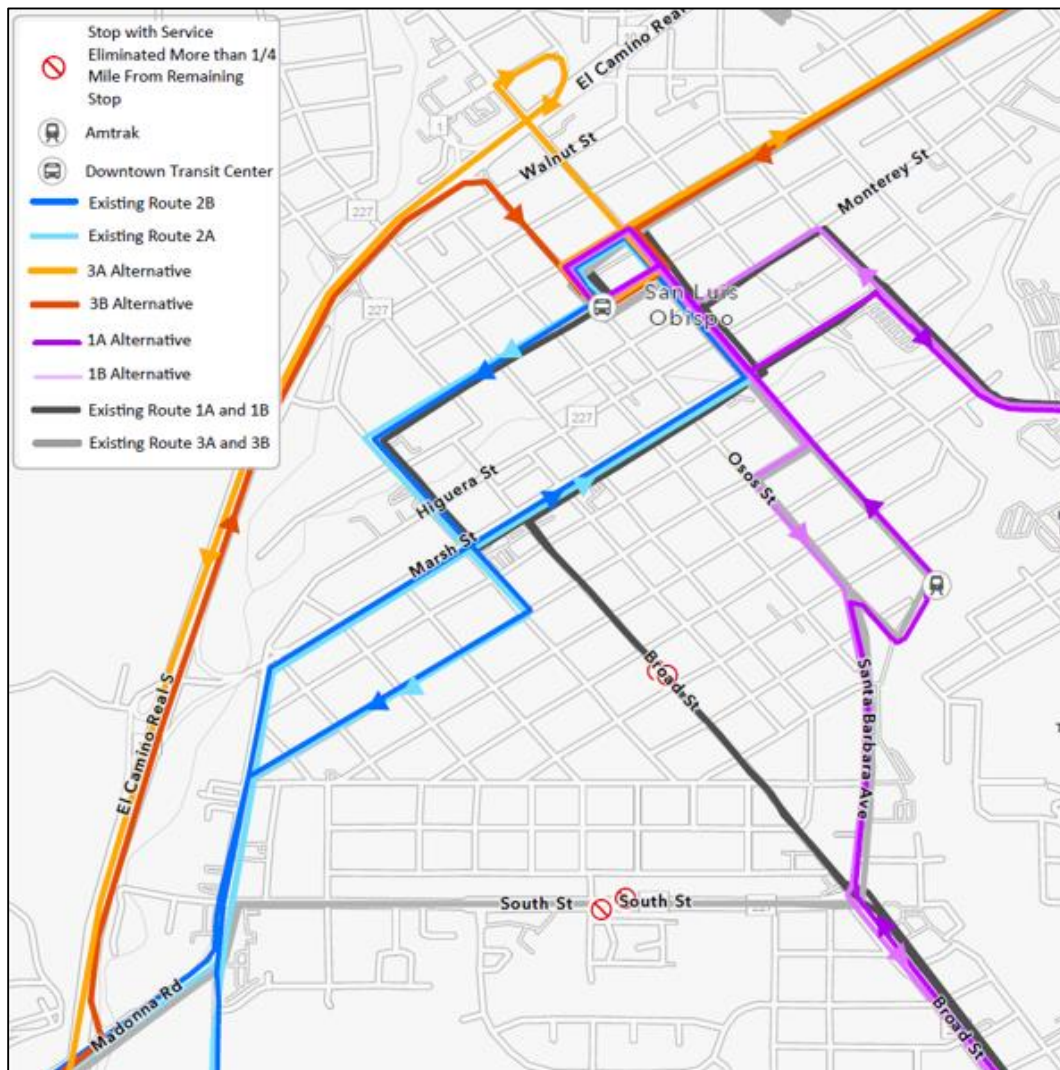
Service Alternative	Status Quo	Changes in Annual Service					
	Ridership	Ridership	Service Hours	Service Miles	Marginal Operating Cost	Cash Fares	Add'l Buses Needed
Revise Route 1 and 3 in Downtown Area							
	236,300	17,700	0	-2,500	-\$ 5,600	\$ 9,600	0
Reinstate Route 6 Express							
	0	2,200	100	1,000	\$ 7,200	\$ 900	1
Reinstate SLO Tripper							
	0	7,100	280	1,430	\$ 17,200	\$ 2,800	1
Reinstate Highland Tripper							
	0	6,600	230	2,430	\$ 17,000	\$ 2,600	1

Working Paper 3 demonstrated that on-time performance is a major issue for most of SLO Transit’s routes. LSC considered several routing realignments to Routes 1A, 1B, 2A, 2B, 3A, and 3B to improve on-time performance. LSC determined the best scenario to improve on-time performance would be to realign Routes 3A and 3B onto US 101 between the Downtown Transit Center and the Madonna Street interchange and shift Routes 1A and 1B onto the exiting Routes 3A/3B routes between Broad Street/High Street and the Downtown Transit Center. Figure 5 below shows the proposed realignments of Routes 1 and 3 and their existing routes.

Service would be fully eliminated from a total of four existing stops and reduce service between the downtown Transit Center and central downtown San Luis Obispo by rerouting Route 1 out of the area. However, as the current Route 1 schedule is very close to the Route 2 schedule in both directions, this would not significantly reduce the convenience of transit service. This option would also reduce the travel times between southwest San Luis Obispo and the Downtown Transit Center.

Improving the dependability of Route 3 would also improve the connections to other routes at the Transit Center. Overall, the proposed realignment would increase ridership, decrease operating costs, and generate additional cash fare revenue. No additional buses would be required.

Figure 5 - Routes 1 and 3 Realignment



Reinstatement of Route 6 Express would provide direct connection between Cal Poly and downtown on Famer's Market nights. Reinstatement of the tripper services would provide direct service to the high school via the SLO Tripper and service between Cal Poly and the Foothill Blvd neighborhood. The three services would result in modest increases to ridership and to operating costs. Operating costs for reinstatement of these services is already included in the Transit Fund's annual operating budget.

Service Alternatives Preliminary LSC and Staff Recommendations

An analysis using the proposed performance standards identified in Working Paper 2 show that the following service alternatives have the greatest potential to enhance services while meeting both the passengers per vehicle revenue hour and operating cost per passenger trip standards. Based on their analysis, LSC recommends including the following alternatives in the development of the draft plan.

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LSC Recommended Alternatives:

1. Realign Routes 1 and 3 in downtown San Luis Obispo;
2. Provide B route service on weekend days year-round;
3. Increase Route 4A service frequency on weekday mornings in the academic year;
4. Increase Route 4B service frequency on weekday afternoons in the academic year; and
5. Reinstate Route 6 Express, SLO Tripper, and Highland Tripper services.

Staff concurs with LSC Recommendation #1 to realign Routes 1 and 3 in downtown San Luis Obispo as this change is believed to help address observed on-time performance issues. On time performance for SLO Transit is important to instill a sense of trust and reliability for users and increase confidence that SLO Transit customers can depend on the services that SLO Transit provides. This recommendation is estimated to have a minor savings in operating costs of \$5,600 a year and will not require any additional transit vehicles.

Staff concurs with LSC Recommendation #2 to provide B route service on weekend days year-round as this was a highly requested in SLOCOG's Transit Needs Assessment as well as through the outreach conducted as part of the SRTP update. There is concern that adding weekend services could not increase ridership for SLO Transit but may only spread out current ridership across more trips. Staff is recommending that if this service augmentation is supported by Council that Council consider this to be phased in as a last order of service augmentation. This recommendation is estimated to increase annual operating cost by \$263,100 and will not require any additional transit vehicles.

Staff concurs with LSC Recommendation #3 to increase Route 4A service frequency on weekday mornings in the academic year and LSC Recommendation #4 to increase Route 4B service frequency on weekday afternoons in the academic year as these routes are the best performing and the highest demand routes for SLO Transit service. This recommendation is estimated to increase annual operating cost by \$39,900 and requires one additional transit vehicle.

Staff concurs with LSC Recommendation #5 to reinstate Route 6 Express, SLO Tripper, and Highland Tripper services as doing so aligns with the City's goal of restoring transit services to pre-pandemic levels. This recommendation is estimated to increase annual operating cost by \$41,400 and requires one additional transit vehicle.

Selecting the appropriate level of services provided to the community through the SRTP requires consideration of community desires, anticipated community usage, transit operating costs and capital expenditures related to acquiring and maintaining transit vehicles. While it is anticipated that SLO Transit revenues will increase with increased level of service provided to the community, expenditures related to operating cost and capital needs are anticipated to be greater. To reduce the impact to capital expenditures for service augmentation, staff is considering and would appreciate Council's guidance on whether keeping the appropriate number of transit buses in service longer to address this immediate need is acceptable. While both SLO Transit and the Council has been aggressively replacing aging transit vehicles with new Zero Emission Buses some of the existing buses could be maintained in the fleet longer to augment services.

Study Session Feedback

Now that Council has received an update on the SRTP progress and reviewed the service alternatives analysis, staff is requesting direction as to which service alternatives to incorporate into the draft plan. Below are several questions staff has included to help initiate the feedback discussion.

1. Does Council agree with LSC and Staff's preliminary recommendations to include some or all the above listed service alternatives in the draft plan?
2. Does Council support the concept of addressing increased number of necessary transit vehicles by keeping in service existing buses that would have normally been removed from the inventory?
3. Does Council want to pursue a Microtransit pilot program as part of the SRTP update? If so, should the program overlay Microtransit over the entire service area or for specific route(s)?
4. With Cal Poly moving to a semester system in Fall 2026, SLO Transit could operate academic service year-round since Cal Poly would be in session for more of the year compared to their current quarter system. Would Council like to include in the draft plan implementation of any service changes to coincide with Cal Poly transition to a semester system?

Next Steps

LSC will update the service alternatives analysis section based on Council's feedback and include operational and capital costs assumptions for the service alternatives in Working Paper 5 - Operating Budget and Financial Projections and Working Paper 7 – Capital Improvement Plans. City staff, RTA, and LSC will also finalize a date in September for the third Joint MTC and RTAC meeting to present the recommended service alternatives and associated operating and capital costs.

Previous Council Action

1. January 23, 2024 – Council received and filed Transit Innovation Study and directed staff to finalize the report and begin implementation.
2. June 6, 2023 – Adoption of the 2023-25 Financial Plan and FY 2023-24 Budget which includes the Climate Action, Open Space, and Sustainable Transportation Major City Goal.
3. December 13, 2022 – Council adopted the Climate Action Plan 2023-27 Work Program which reaffirms direction to achieve the mode split objectives by 2030 and directs staff to incorporate the Transit Innovation Study findings into the Short-Range Transit Plan update.
4. August 18, 2020 – Council adopted the Climate Action Plan for Community Recovery establishing the 7% of trips by transit mode split objective by 2030.
5. September 20, 2016 – Council adopted the 2016 Short-Range Transit Plan.

Public Engagement

LSC and staff have conducted extensive outreach for the SRTP update as outlined below.

- Onboard Surveys were collected between October 23 and October 27, 2023, on all SLO Transit fixed route and tripper services. A total of 427 survey responses were received.
- In-person Stakeholder Workshop was held at the Ludwick Community Center on November 8, 2023, and included individuals from RTA, the City of San Luis Obispo, Cal Poly, and City of Paso Robles.
- Community (online) Surveys were collected between November 14 and December 12, 2023, using a Survey Monkey instrument developed by LSC and using the City's Open City Hall program. A total of 254 survey responses were received.
- Virtual Stakeholder Workshop was held on January 18, 2024, and included individuals from RTA, the City of San Luis Obispo, Transdev (the City's transit operations and maintenance contractor), SLOCOG, Cal Poly, Cuesta College, City of Paso Robles, City of Grover Beach, and California Department of Transportation (Caltrans).
- Joint Mass Transportation Committee (MTC) and Regional Transit Advisory Committee (RTAC) meeting was held on March 13, 2024, to present the results from Working Papers 1, 2, and 3 and to solicit feedback from committee members and the public as to which service alternatives should be analyzed in Working Paper 4.
- Joint Mass Transportation Committee (MTC) and Regional Transit Advisory Committee (RTAC) meeting was held on June 5, 2024, to present and solicit feedback on the initial service alternatives analysis that will be included in Working Paper 4.
- Community Workshops were held on June 5, 2024, in San Luis Obispo and on June 6, 2024, in Paso Robles and in Nipomo to present and receive feedback from the public on the initial service alternatives analysis.
- City Council Study Session on July 16, 2024, provides another opportunity for the public to provide input through written correspondence and through public testimony.

Each of these engagement efforts have included news releases prepared and distributed by the City's communication team, print flyers on bus and at public facilities downtown, and updates posted to SLO Transit's and to RTA's respective webpages. A third Joint MTC and RTAC meeting is tentatively scheduled for September 2024 to present the remaining Working Papers. The joint meeting also serves as an opportunity for the public to attend and provide feedback.

CONCURRENCE

The City’s Mass Transportation Committee and RTA’s Regional Transit Advisory Committee held a joint meeting on June 5, 2024, to review and provide feedback the service alternatives analysis. Committee members expressed interest in increasing weekend service and running the academic service year-round once Cal Poly moves to a semester system. One member suggested offering Microtransit services on weekends instead of fixed route to help fill in service gaps. An SRTP update working group consisting of City, RTA, and SLOCOG staff representatives have reviewed and commented on Working Papers 1, 2, 3, and 4.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to the recommended action in this report, because the action does not constitute a “Project” under CEQA Guidelines Sec. 15378. Projects carried out as part of the final adopted Short-Range Transit Plan must comply with state and local laws including environmental review or finding of exemption.

FISCAL IMPACT

Budgeted: N/A

Budget Year: N/A

Funding Identified: N/A

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
Transit Fund	\$ 0	\$ 0	\$ 0	\$ 0
State				
Federal				
Fees				
Other:				
Total	\$ 0	\$ 0	\$ 0	\$ 0

The recommended action in this report does not have an immediate impact on the Transit Fund or the General Fund. The final SRTP will provide a five-year fiscally constrained operating and capital budgets for FY 2025-26 through FY 2029-30. The operating and capital budgets provided by the plan will be incorporated into the 2025-27 Financial Plan and will inform future financial planning processes.

ALTERNATIVES

Council could choose not to provide direction on which service alternatives to include in the Short-Range Transit Plan update. Staff does not recommend this alternative because the plan should accurately reflect Council's vision for the future transit services in the City and align with previous Council actions.

ATTACHMENTS

A - Working Paper 4 – Service Alternatives Analysis