



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

To: Bay Area Partnership

Date: December 1, 2009

From: Alix Bockelman

Re: Transit Sustainability Project

As reported to the Commission earlier this year, the analysis for Transportation 2035 suggests that the region's transit system is not sustainable based on current projections of transit costs and reasonably anticipated revenues. The collective magnitude of anticipated operating and capital shortfalls is a cause for regional concern and action. As a result, the Commission made a commitment to proceed with a regional Transit Sustainability Project to (1) identify service productivity improvements that could yield more from the region's existing investment in transit services, and (2) pursue strategies to secure new transit operating and capital revenues.

On October 21st, the Commission held a workshop to get more background information on what would be involved in carrying out the Transit Sustainability Project, to have an opportunity to discuss the overall framework and approach, and to provide direction on next steps.

In preparation for the workshop, MTC staff interviewed a number of stakeholders, including a subset of the region's transit general managers, academic researchers, interest groups, and business organizations, to gather their ideas about what we should consider when addressing transit sustainability. Admittedly, this is a small subset of the full set of stakeholders that will be involved once the project gets underway. Nonetheless, we believe several themes emerged from those interviews that provided a good insight for the Commission's consideration.

At the workshop, staff presented statistics that provide a regional-level picture of current conditions, and information from recently completed analyses at SF MTA and Santa Clara VTA that addressed this very issue for their respective service areas. Nathaniel Ford, Executive Director and Chief Executive Officer of the SF MTA, and Michael Burns, General Manager of the Santa Clara VTA, presented information from recently-completed analyses of their service areas and offered insights into how the approaches taken in their respective jurisdictions could be conducted on a regional or sub-regional scale. Subhash Mundle, who has conducted performance audits of the Bay Area transit agencies for the past 15 years, also offered his perspectives on the biggest challenges to the long term viability of the region's transit system. Presentation material from the workshop may be downloaded from MTC's website at <http://apps.mtc.ca.gov/events/agendaView.akt?p=1372>.

At the conclusion of the workshop, the Commission voiced strong support for moving forward on the Project and emphasized the following:

1. The Transit Sustainability Project represents a significant undertaking that will require fact-based financial analysis of the existing system, cost containment and new revenue options.

2. The project should be based on a comprehensive assessment that acknowledges the role of external factors, such as land use and transportation pricing in the long-term viability of transit.
3. The project will need to be clearly linked to the preparation of the Bay Area Sustainable Communities Strategy pursuant to SB 375, which will highlight the importance of a robust transit network in achieving the region's GHG emissions reduction target.
4. This project will need to educate and engage multiple stakeholders to tackle tough questions about how to contain the growth in transit costs, how to boost the system's productivity and reinvest savings to meet the growing demand for transit, and how to improve service reliability and convenience to attract more riders.

Staff is preparing a specific scope of work for approval by the end of the year. A preliminary project schedule is attached. One of the first tasks is to document the efforts already completed in the past several years that could be instrumental in informing this Project. We will be establishing an advisory structure including multiple stakeholders and technical experts and we look forward to working closely with you and other transportation stakeholders on this critical project.

Attachment

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Preliminary Schedule

December 2009 – January 2010	<ul style="list-style-type: none"> ▪ Draft Advisory (policy, citizen, and technical) structure and membership ▪ Complete inventory of existing plans, studies, analyses ▪ Review work plan, schedule, budget and advisory structure with transit agencies
January 27, 2010	<ul style="list-style-type: none"> ▪ Commission confirms work plan, schedule, budget, advisory structure, and stakeholder participation plan
February/ March 2010	<ul style="list-style-type: none"> ▪ Consultant selection process (issue RFPs, contract award) ▪ Convene Project Advisory Committees
April 2010 thru June 2011	<ul style="list-style-type: none"> ▪ Conduct stakeholder participation program, public outreach ▪ Complete draft financial, service and institutional analyses ▪ Confirm most promising efforts for more detailed analyses and implementation planning
Summer 2011	<ul style="list-style-type: none"> ▪ Complete additional analyses, as needed
October thru December 2011	<ul style="list-style-type: none"> ▪ Draft service recommendations, institutional options and financial plan, including revenue options
January thru March 2012	<ul style="list-style-type: none"> ▪ Complete outreach/public input and review of draft recommendations ▪ Commission adoption
June 2012	<ul style="list-style-type: none"> ▪ Begin implementation
November 2012	<ul style="list-style-type: none"> ▪ Regional revenue measure