


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: February 12, 2009

To: The Honorable City Council
C/o City Clerk, Room 395, City Hall
Attn: Honorable Wendy Greuel, Chair
Transportation Committee

From: 
Rita L. Robinson, General Manager
Department of Transportation

**SUBJECT: STATUS REPORT ON DODGER STADIUM SHUTTLE SERVICE FOR
THE 2009 BASEBALL SEASON (CF 07-3988)**

The Department of Transportation (LADOT) estimates the cost to operate the Dodger Stadium shuttle during the 2009 baseball season to be approximately \$380,000. The Los Angeles Dodgers have indicated that they are not willing to help fund the cost of the shuttle service in 2009. The Department is currently soliciting potential private sector sponsors to fund the cost of the service. If there is insufficient interest by sponsors to fund the service, the Department recommends that the City not operate the service unless funding is provided by the Dodgers.

RECOMMENDATION

That the Council:

RECEIVE AND FILE this report, as it is for informational purposes only and no action is required.

BACKGROUND

The Transportation Committee, at its meeting on January 28, 2009, received and filed the Department's report, dated January 14, 2009, concerning the status of the Dodger Stadium shuttle service for the 2009 baseball season. The Committee directed the Department to report back in 30 days on the status of its efforts to solicit private sector sponsorships to help fund the cost of the service. The Department estimates that the cost to operate the service for the entire 2009 baseball season is approximately \$380,000 (excluding the playoffs).

DISCUSSION

As discussed in the Department's January 14, 2009 report on this matter (attached), the Dodgers have indicated that they are not willing to help fund the estimated \$380,000 cost to operate the Dodger Stadium shuttle service during the 2009 baseball season. The Dodgers, while praising the success of the pilot service in 2008, believe that it should be the public sector's responsibility to operate the service. It is the Department's position that the City should not be implementing any new transit services, including the Dodger Stadium shuttle, unless a new, stable funding source is identified. The Department projects that the City's Proposition A local transit fund is facing an approximate \$145 million shortfall over the next ten years.

The Department believes that the recent examples of successful public/private partnerships involving the operation of extended hours on the Metro Red Line (CF # 08-2119) and the DASH Downtown Los Angeles service (CF # 08-1858) during the 2008 holiday season serve as a viable model for providing new or expanded transit services, especially where one or more private commercial venues stand to benefit from the provision of service. Given that the Dodgers have declined to fund the Dodger Stadium shuttle service in 2009, the Department has initiated discussions with the Dodgers about pursuing private sponsorships to help fund the cost of the service. The Department, with the assistance of its transit marketing consultant (Ilium), is currently soliciting potential private sponsors to determine if there is interest to fund the service. The Department has also coordinated with the Dodgers to identify proposed promotional opportunities for sponsors that would enhance the value of the potential sponsorship(s).

These discussions between the Department, potential sponsors, and the Dodgers are ongoing. No commitments for sponsorships have been obtained to-date. The Department will verbally update the Committee on the status of the negotiations when this report is considered. The 2009 baseball season starts in early April 2009; the Department anticipates that a decision would need to be made by early March 2009 to operate the service in order to meet the start of the season. If there is not sufficient interest on the part of potential sponsors to fund the service, then the Department recommends that the City not operate the service unless the Dodgers reconsider their position and agree to fund the service.

IMPACT ON THE BUDGET

This report is informational only. Therefore, there is no impact on the Budget.

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: January 14, 2009

To: The Honorable City Council
C/o City Clerk, Room 395, City Hall
Attention: Wendy Greuel, Chair
Transportation Committee

From: 
Rita L. Robinson, General Manager
Department of Transportation

**SUBJECT: UPDATE ON DODGER STADIUM SHUTTLE SERVICE FOR THE 2009
BASEBALL SEASON (CF 07-3988)**

The Department of Transportation (LADOT) has conducted a number of meetings with representatives of the Los Angeles Dodgers and other affected stakeholders to discuss potential plans to operate a public transit shuttle bus service to Dodger Stadium for the 2009 baseball season. The Department operated a successful pilot service to Dodger Stadium for the last two months of the 2008 baseball season and the playoffs. This pilot service, which cost approximately \$150,000, was funded entirely by the City of Los Angeles.

Funding for the 2009 season remains a major issue, with cost estimates for potential service options ranging from approximately \$380,000 to more than \$600,000. The Dodgers have reiterated their position from last season that they are not willing to fund the cost of the service, stating that it should be the public sector's responsibility. The City's current financial shortfall presents a significant challenge to funding for this service. Representatives from the Los Angeles County Metropolitan Transportation Authority (MTA) have also cited financial conditions as a reason why they cannot help fund the service. The Department has engaged in recent discussions with the Dodgers about pursuing potential private sector sponsorships to help fund the cost of the service.

RECOMMENDATION

That the Council:

RECEIVE AND FILE this report, as it is for informational purposes only and no action is required.

BACKGROUND

The Transportation Committee, at its meeting on November 21, 2008, considered the Department's report dated October 7, 2008 (attached) that provided an update on the Dodger Stadium shuttle service for the 2008 baseball season. The Department reported that the shuttle service, which operated for the last two months of the 2008 baseball season (32 home games) and five playoff games, carried an average of 704 riders and 1,408 one-way passenger trips per game. These figures far exceeded the approximate 400 riders per game served when the Dodgers contracted for the service during the 2004 season.

The total cost to the City to operate the shuttle service for a portion of the 2008 baseball season was approximately \$150,000, which is significantly higher than the original cost estimate provided to the City Council of \$70,000. The cost overruns were the result of the need to increase the number of buses in operation to accommodate the greater-than-expected passenger demand and the additional five playoff games. The City assumed the entire cost to operate the service in 2008. The Dodgers declined to fund any portion of the cost to operate the service in 2008. However, the Dodgers did take on a primary role in marketing the service to its customers.

At its November 21, 2008 meeting, the Transportation Committee directed the Department to report back by the end of January 2009 with a status report on the Dodger shuttle for the 2009 season, including a response from the Dodgers concerning their willingness to fund the cost of the service for the 2009 season. The Committee also asked for the Dodgers' response to funding the additional \$80,000 that the City spent above the original \$70,000 budget for the 2008 season. Given the City's well documented financial shortfalls, the Committee expressed the strong opinion that the City should not operate any new transit service such as the Dodgers shuttle without outside funding. Department staff concurred and cited two recent examples of public/private partnerships where expanded DASH Downtown and MTA Red Line transit service was implemented during the 2008 holiday season with 100 percent funding provided by the private sector.

DISCUSSION

The Department conducted several meetings with key stakeholders, including the Dodgers, MTA, CD 1, CD 13, and the contracted charter bus operator of the service (Transit Systems), to discuss plans for the operation of the Dodger shuttle during the 2009 baseball season. The issues that have been discussed include alternative service routing options, fares, bus advertising, advanced ticketing, estimated service costs, and funding options. While these discussions are ongoing, the funding of the service is clearly the major challenge that needs to be addressed. The Dodgers, while praising the

success of the pilot service in 2008, continue to maintain that they will not fund the cost of the service for the 2009 season. The Department has cited the need for the Dodgers and/or private sponsor(s) to pay for the service given the City's significant projected shortfalls in its General Fund and the local Proposition A Fund. The MTA, like the City, is also facing significant financial shortfalls and has indicated that it cannot help fund the cost of the service. The Dodgers have also declined to pay the approximate \$80,000 cost overrun for the 2008 season.

The Department estimates that providing the shuttle service for the entire 2009 baseball (regular) season, at a level that is comparable to the 2008 service that operated between Union Station and Dodger Stadium, would result in a total cost of approximately \$383,000. An alternative service scenario suggested by the Dodgers, with an increased level of service coverage, would cost an estimated \$630,000. The Department estimates that charging a passenger fare of \$1 to \$3 per roundtrip could help to reduce the net cost of the service by approximately \$50,000 to \$120,000; however, a substantial subsidy would still be required. There is also a shared concern on the part of the Dodgers and the Department that charging a fare may significantly reduce the demand for the shuttle service, especially given the short trip length between Union Station and Dodger Stadium.

The Department has recently initiated discussions with the Dodgers about pursuing potential private sponsorships to help pay for the cost of the shuttle during the 2009 season. In June 2008, the Dodgers assured the Transportation Committee that they would seek revenue generating opportunities from their sponsors and other third party advertisers if the pilot program is continued for the 2009 season. This approach may be the only viable approach to funding the service given the Dodgers' position against paying for the service directly. The Department, with the assistance of its transit marketing consultant (Ilium), has identified an initial list of potential private sponsors and has engaged the Dodgers in discussions on proposed promotional opportunities (to be provided jointly by the Dodgers and LADOT) to enhance the value of the potential sponsorship(s). These discussions between the Dodgers, prospective sponsors and the Department are ongoing.

IMPACT ON THE BUDGET

This report is informational only. Therefore, there is no impact on the Budget.

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: October 7, 2008

To: The Honorable City Council
C/o City Clerk, Room 395, City Hall
Attention Wendy Greuel, Chair
Transportation Committee

From: 
Rija L. Robinson, General Manager
Department of Transportation

**SUBJECT: UPDATE ON DODGER STADIUM SHUTTLE SERVICE FOR THE 2008
BASEBALL SEASON (CF 07-3988)**

The purpose of this report is to brief the Transportation Committee concerning the performance of the Dodger Stadium Shuttle (Dodger Trolley) service operated by the Department of Transportation (LADOT) during the recently completed 2008 regular baseball season. In summary, the Department and the Los Angeles Dodgers consider the pilot shuttle service to be a success, with ridership figures that exceeded most expectations. However, it should be noted that, due to the popularity of the service, additional buses were required to meet ridership demand resulting in costs to the City that exceeded the original cost estimate. As the Dodgers are currently in the playoffs, the Department will continue to operate the shuttle service for all home playoff games.

RECOMMENDATION

That the Council:

RECEIVE AND FILE this report, as it is for informational purposes only and no action is required.

BACKGROUND

The Transportation Committee, at its meeting on June 25, 2008, considered the Department's report (dated June 2, 2008) concerning the proposed operation of a shuttle bus service to Dodger Stadium. The proposed shuttle bus route, which was designed to operate between Dodger Stadium and Union Station with intermediate stops on Sunset Boulevard/Cesar Chavez Avenue (see attached Figures 1 and 2), was developed by LADOT in conjunction with other task force stakeholders including representatives of the Dodgers, Metro, CD 1 and CD 13. It was anticipated that the proposed shuttle service would operate with five buses at an estimated frequency of 8-10 minutes. The estimated one-way travel time between Union Station and Dodger Stadium was approximately 16-19 minutes. Less time was required from the two intermediate stops to the stadium.

The Department determined that, if directed to operate the shuttle, it would be most appropriate to utilize an operator through LADOT's Charter Bus Program. In addition to lower estimated

operating costs, utilizing charter buses would avoid potential violations of the new Federal Transit Administration (FTA) regulations that restrict transit agencies receiving Federal transit funds from competing with private charter bus companies.

The proposed service was presented to the Committee as a potential pilot project that would operate for all home games for the remainder of the 2008 baseball season, effective July 25, 2008 (32 home games). The pilot was intended to evaluate the ridership demand and cost-effectiveness of the service and to assist in determining whether the service should be continued for the 2009 season. Given the limited duration of the service and the fact that the charter buses are not equipped with fare boxes, the task force recommended that the service be offered for free during the remainder of the 2008 season in order to encourage ridership.

The Department estimated that the total cost to operate the proposed shuttle service would be \$70,000 for the remainder of the 2008 season. As part of the ongoing task force discussions, the Dodgers indicated that they were not interested in sharing the cost to operate the shuttle service with the City. The Dodgers' representative expressed the opinion that it would be more appropriate for the public sector to fund the cost for such a service. The Department did explore the possibility of using bus advertising revenues to help fund the cost of the service. However, due to the lateness of the baseball season, representatives from the Dodgers and the Department's bus advertising contractor (Titan World Wide) both indicated that it would be best to consider bus advertising revenues for the 2009 season.

The Transportation Committee expressed concern that City funds would be used to pay for the cost of the service at a time when the City is facing a forecasted shortfall in its local Proposition A transit funds. The Department also shared this concern. The Committee again asked the Dodgers representative if they would be willing to help fund the cost of the service. The Dodgers declined, but assured the Committee that if this pilot program is continued for the 2009 baseball season, they would seek revenue generating opportunities from its sponsors and other third party advertisers. The City Council, at its meeting on June 27, 2008, authorized the Department to implement the Dodgers Shuttle service for the remainder of the 2008 baseball season.

DISCUSSION

LADOT and the Dodgers consider the Dodgers Shuttle to be a success based on the ridership figures for the 2008 season. The shuttle operated for the remaining 32 home games of the season, with the last home game held on September 25, 2008. As indicated in the table below, the service carried over 45,000 one-way passenger boardings, or 22,500 riders. The average ridership per game was 1,408 one-way boardings, or 704 riders. These figures far exceeded the approximate 400 riders per game served when the Dodgers contracted for the operation of a shuttle service from Union Station during the 2004 baseball season. The 2004 service only operated for home games on Friday nights and charged a fare of \$3 (round trip). The 2004 service also featured an exclusive bus lane on Sunset Boulevard provided by LADOT. The higher cost of gasoline, increased parking costs at Dodger Stadium and the free shuttle fare are among the factors that the Department believes contributed to higher ridership during the 2008 season relative to the 2004 season.

Dodger Shuttle Ridership 2008 Season*

	One-Way Boardings	Total Riders
Per Game (avg.)	1,408	704
Total	45,063	22,532

* 32 home games

Based on the higher-than-estimated ridership, the Department's contracted charter bus operator (Transit Systems) needed to operate more than the five (5) buses anticipated for the service. While the number of buses varied based on the anticipated game attendance, there was a need to operate an average of nine (9) buses per game. As a result, the actual cost to operate the service for the remainder of the 2008 season was greater than anticipated. The actual cost to operate the service for the 2008 season was approximately \$120,000, or \$3,750 per game. This compares to an original estimate of \$70,000 for the rest of the season, or \$2,188 per game. As the Department is continuing to operate the service while the Dodgers remain in the playoffs, the actual cost for the 2008 season is expected to increase. The Department anticipates that it has sufficient contingency funds in its Charter Bus Program account to cover the cost for this season including the playoffs.

Next Steps

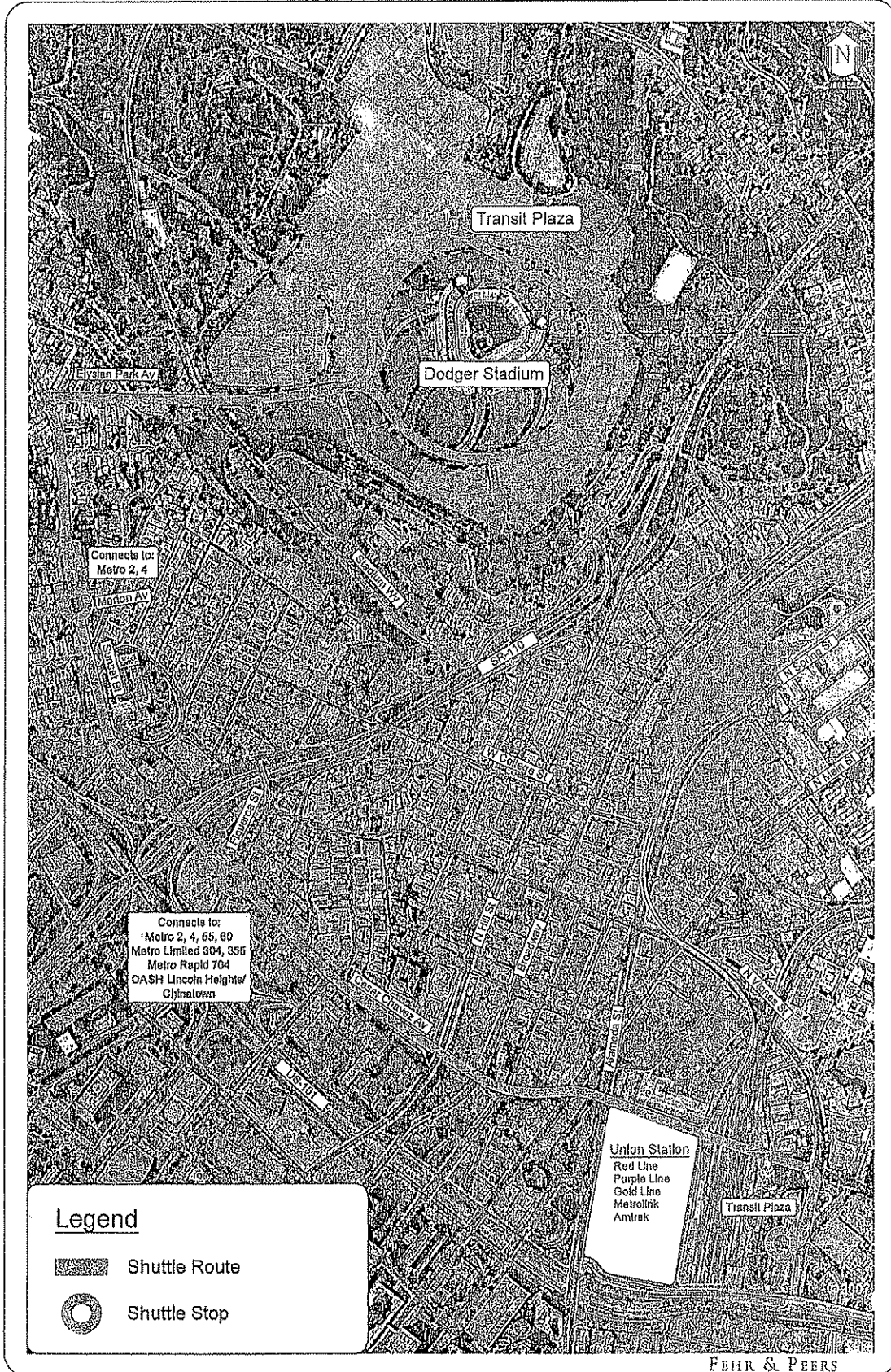
The Department intends to meet with the Dodgers and the rest of the task force in the near future to begin discussions concerning the potential provision of service for the 2009 baseball season. The issue of who will be the operator of the service, whether it is LADOT, the Dodgers, or Metro, will be a topic of discussion. The provision of funding by one or more of the task force members will also be discussed, as will the introduction of a passenger fare and the potential for obtaining bus advertising revenues to help pay for the service.

It should be noted that the Department's existing Charter Bus Program contracts (five year terms) expire on December 31, 2008. The Department has submitted a separate report to the Mayor and Council to award new contracts. Due to the rising costs to operate transit service over the past few years, the proposed new charter bus rates are significantly higher than the current year rates. The Department estimates that the gross cost to operate the Dodger Shuttle service using its Charter Bus Program during the full 2009 baseball season would be approximately \$380,000.

IMPACT ON THE BUDGET

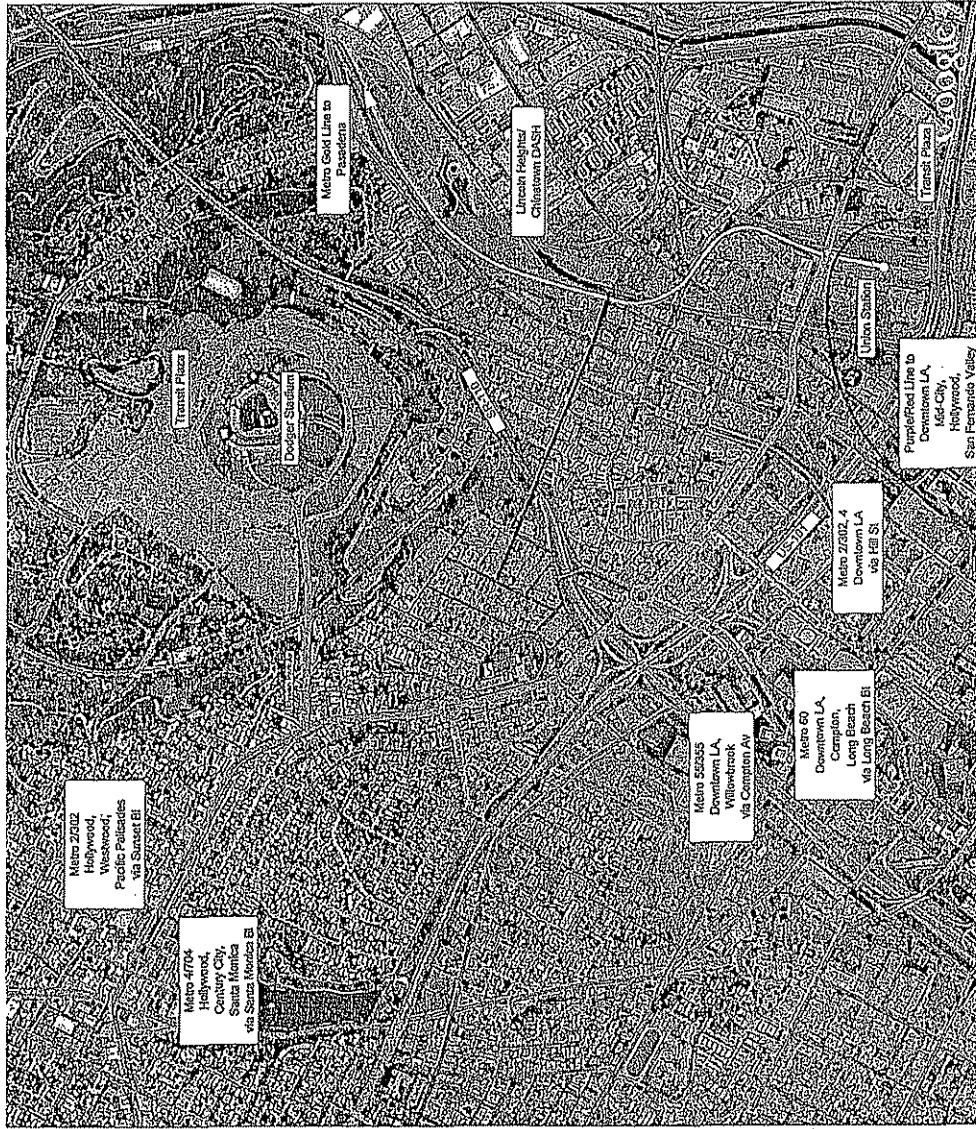
This report is informational only. Therefore, there is no impact on the Budget.

Attachments



FEHR & PEERS
KAKU ASSOCIATES

FIGURE 1
UNION STATION/SUNSET PRE-GAME ROUTE



Legend

- Proposed Shuttle Route
- Shuttle Stop
- Metro Bus Service
- LADOT DASH Service
- Metro Gold Line
- Metro Red/Purple Line
- Metrolink/Amtrak Service

- Metrolink/Amtrak to Central, Ventura, Northridge, Santa Clarita
- Metrolink/Amtrak to San Bernardino
- Metrolink/Amtrak to Riverside
- Metrolink/Amtrak to Orange County

FEHR & PEERS
KARASASSOCIATES

FIGURE 2
REGIONAL TRANSIT ACCESS TO DODGER STADIUM SHUTTLE