

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

Date: January 28, 2010

To: The Honorable City Council
C/o City Clerk, Room 395, City Hall
Attention: Honorable Bill Rosendahl, Transportation Committee

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



**SUBJECT: PRELIMINARY RECOMMENDATIONS FOR CITY TRANSIT SERVICE
REDUCTIONS AND FARE INCREASES (10-0082)**

Attached is an updated version of the subject report by the Department of Transportation dated January 12, 2010. The updated report includes a revised Attachment #2 and a new Attachment #4 (not included with the original report). The attached report supersedes the Department's original report on this matter.

Attachment

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To: The Honorable City Council
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**SUBJECT: PRELIMINARY RECOMMENDATIONS FOR CITY TRANSIT SERVICE
REDUCTIONS AND FARE INCREASES**

The City of Los Angeles Department of Transportation (LADOT) is facing a substantial deficit in its transit programs due to the economic downturn and the resulting loss of state and local funding. The City's Proposition A local return fund, currently the sole source of City funding for LADOT's transit services, is projected to show a deficit of \$23 million in the next fiscal year (FY 2010-11). The cumulative deficit is expected to grow to \$350 million over the next decade. Therefore, the City must take immediate action to address this projected shortfall. A consultant's study found that LADOT is managing its transit programs in line with industry cost-effectiveness practices, including the use of competitive contracting as a means to reduce operating costs. As a result, addressing the projected deficit will require a reduction in service and an increase in user fees.

To respond to the projected Proposition A funding shortfall, LADOT began an analysis of all of its transit services earlier this year with the assistance of TMD, Inc., a nationally respected transportation consultant. The preliminary recommendations from the study call for reductions affecting all LADOT transit services including DASH, Commuter Express, Cityride and Charter Bus, as well as increases in the fares or fees charged for these services. The study attempted to focus the necessary reductions on those services that would have the least impact, affecting the fewest number of riders. Yet the size of the budget deficit resulted in the need to take extraordinary action across all services. A copy of the brochure given to riders, Cityride clients and stakeholders summarizing the recommended transit service cuts and fare increases is provided as **Attachment 1** of this report.

Prior to implementing any of these recommendations, LADOT plans to conduct a series of public meetings to gather public input and comments regarding the suggested program changes. These meetings are tentatively scheduled in February 2010. Following the public hearings, LADOT will forward its final recommendations to the City

Council for approval. Due to the significant shortfall projected for FY 2010-11, LADOT's goal is to implement the changes by July 1, 2010 in order to minimize the magnitude of the program reductions and fare increases in the next fiscal year.

The poor state of the economy is having a significant impact on transit operators in the region and across the country. All sectors of our City, our state and our nation are struggling to deal with revenue shortfalls. The City must deal with this financial crisis now or face a worsening situation that would require even deeper service cuts and higher fare increases. City Measure R local return funds are eligible to be used to fund City transit services and can serve as a new source of transit funding to reduce the impacts of recommended service cuts and fare increases or to implement new transit services.

RECOMMENDATIONS

That the Council:

1. Receive and File this report as no action is required at this time concerning recommended changes to City transit services.
2. Direct LADOT to report back to the Transportation Committee within 90 days, following the conduct of public hearings, with recommendations to eliminate certain City transit services and raise passenger fares as a means to address the projected Proposition A funding shortfall.

BACKGROUND

The City's Proposition A local return program is funded by a ½ cent sales tax measure approved by the voters of Los Angeles County in 1980. Proposition A is projected to generate approximately \$700 Million for Los Angeles County in FY 2009-10. The majority of these funds are used by the Los Angeles County Metropolitan Transportation Authority (Metro) to fund regional transit-related projects. A portion of these funds (25%) is returned to the 88 cities and the County (unincorporated portions) by Metro on a per capita basis. The City is estimated to receive \$55.4 million in Proposition A local return funds in FY 2009-10.

Proposition A funds are similar to Proposition C and Measure R sales tax revenues in that they are to be dedicated for transportation purposes only. However, Proposition A funds are more restrictive than the other two funds and must be used for public transit purposes only. A majority of the City's Proposition A funds are used to support the City's public transit program (DASH, Commuter Express, Cityride and Charter Bus) operated by LADOT. The Department's fixed route transit services, DASH and Commuter Express, serve over 30 million passenger trips each year.

As reported by LADOT to the Transportation Committee at its March 25, 2009 meeting, the City's updated Proposition A forecast has significantly worsened due to the downturn in the economy and the recent elimination of State Transit Funding Assistance (STA funds). At that time in March 2009, LADOT reported an approximate \$260 million shortfall over the next ten years, with a projected \$23 million shortfall starting in FY 2010-11. LADOT also reported that, as a result of the projected funding shortfall, the City was facing major cuts to its existing public transit programs. LADOT warned that the magnitude of the Proposition A shortfall could result in the need to eliminate entire programs of service and would have significant impacts on City transit riders.

DISCUSSION

LADOT has contracted with a nationally recognized consultant, Transportation Management and Design (TMD), to assist in performing a comprehensive Line-By-Line Analysis of all City transit services. The overriding goal of the analysis was to develop a set of cost reduction and revenue generating strategies that would address the near term (2-3 years) projected shortfall in the City's Proposition A fund. The analysis included an evaluation of all 50 LADOT fixed route (DASH and Commuter Express) services and also included analysis of LADOT's Cityride and Charter Bus Programs. In addition to evaluating potential routes that should be considered for cancellation, the analysis examined detailed ridership information to determine whether a cost savings can be achieved by eliminating unproductive route segments and/or time periods without canceling entire routes. The analysis also evaluated potential strategies to raise passenger fares and program fees as a means to generate additional revenues.

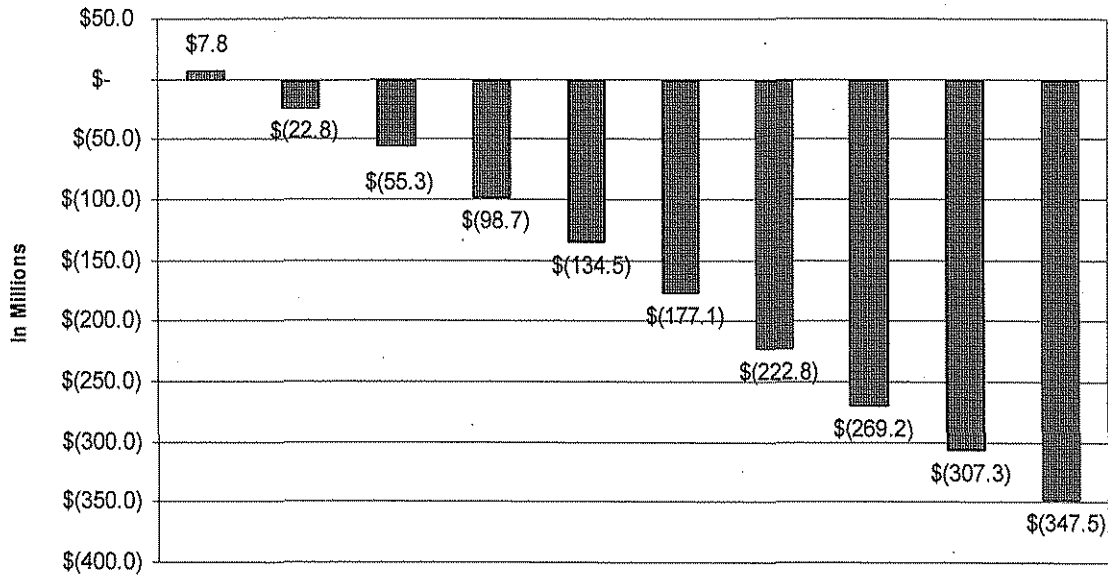
The discussion below summarizes the latest information concerning the City's projected Proposition A shortfall, other potential sources of transit funding including Measure R and transit operating subsidies from Metro, and the preliminary transit service cuts and fare increases recommended as part of the Line-By-Line Analysis to address the projected funding shortfall.

Updated Proposition A Forecast

This report provides updated financial information concerning the City's Proposition A ten-year forecast. Proposition A is a local ½ cent sales tax adopted by the voters of Los Angeles County on 1980. The Department has produced a series of reports to the City Council dating back to 2004, each highlighting a significant projected shortfall in City Proposition A funds over the ten year forecast period. These projected shortfalls have continued to increase each year due to a structural deficit driven by a number of factors including an aggressive expansion of DASH service in previous years and rising operating costs that have impacted the entire transit industry (including the cost for fuel, workers compensation, insurance, wages and benefits, etc.). More recently, the

forecasted Proposition A shortfall has increased dramatically due to the economic downturn and the resulting reduction in state and local tax revenues.

Proposition A - Baseline Ten-Year Forecast
Fiscal Year 2009-10 to 2018-19



	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
■ Baseline	\$7.8	\$(22.8)	\$(55.3)	\$(98.7)	\$(134.5)	\$(177.1)	\$(222.8)	\$(269.2)	\$(307.3)	\$(347.5)

As indicated in the table above, the Department's updated Proposition A ten-year forecast, based on the adopted FY 2009-10 Proposition A Budget, projects a shortfall by FY 2018-19 of \$347.5 million. This shortfall translates to an average shortfall of nearly \$35 million per year for the next ten years. A projected shortfall of approximately \$23 million is projected starting in FY 2010-11, with the shortfall increasing significantly with each succeeding year. This baseline forecast assumes the continued operation of the Department's existing transit programs, including DASH, Commuter Express, Cityride and Charter Bus, with no addition of new or expanded services. The forecast also assumes no new City Measure R local return funds would be used to help fund any existing LADOT transit services currently funded by City Proposition A funds.

Measure R Sales Tax Revenues

One potential source of new transit funding is Measure R, the ½ cent sales tax measure approved by the voters of Los Angeles County in November 2008. The new sales tax was implemented in Los Angeles County on July 1, 2009. Measure R is expected to generate approximately \$40 billion in revenues for transportation projects in Los

Angeles County over the next 30 years. Metro will allocate 15% of Measure R funds to each of the 88 cities and the unincorporated areas of Los Angeles County based on their population size as part of the local return program.

Measure R is expected to generate approximately \$21 million in additional local return revenues for the City in FY 2009-10, and \$37 million - \$43 million per year over the next four years. Overall, the City is expected to receive an estimated \$2.3 billion over the next 30 years. Measure R funds may be used by the City for a variety of transportation projects and programs including transit operations and capital. The City Council has previously directed the Department, in conjunction with other affected departments, to report back on the potential uses of Measure R funds by the City. Subsequently, the Transportation Committee directed the CLA and CAO to report back with further analysis on potential uses of Measure R funds by the City (09-0600-S48).

Regional (FAP) Transit Funding

As discussed by the Department in previous reports, LADOT currently only receives regional Formula Allocation Procedure (FAP) transit operating subsidies through Metro for its Commuter Express, DASH Downtown Los Angeles and three small Community DASH services. The remaining 24 Community DASH routes are fully funded using City Proposition A local funds and do not receive any FAP funding. LADOT is the only Included/Eligible transit operator in Los Angeles County which has a substantial portion of its fixed route transit services not included in the FAP. LADOT estimates that the City could receive approximately \$20 million per year in additional FAP revenues if all Community DASH services were included in the FAP. LADOT continues to coordinate with Metro staff, other municipal operators, the Mayor's Office and the CLA concerning ongoing discussions to potentially provide FAP funding for the City's Community DASH program.

Community DASH Need Assessment Study

The Department in 2005 completed a Citywide Community DASH Need Assessment Study (CF 04-0823-S1). The purpose of the study was to identify potential new DASH routes in the City that were projected to have a high level of ridership and performance. The Study was intended to help guide decisions by the City to implement new DASH services, subject to the availability of funding. The Study ultimately produced a prioritized list of 22 recommended viable new or enhanced DASH services. The Department has not implemented any of the new DASH services identified in the Study due to the significant projected shortfall in City Proposition A funds. The Department does not recommend the implementation of any new or expanded transit services until the projected shortfall in City Proposition A funds is adequately addressed through longer term reliable revenue enhancements (including the identification of a

new funding source such as Measure R or added regional FAP funds) and/or cost reduction.

Line-By-Line Analysis Service Evaluation

As part of the Transit Line-By-Line Analysis, the consultant generally utilized three primary evaluation criteria in determining which City transit services should be recommended for reduction or elimination, as follows:

- Transit Performance (productivity, cost-effectiveness, etc.)
- Extent of leveraged non-City funds
- Duplication of service with Metro and other transit providers

The Department annually ranks the performance of all its fixed route transit services, including DASH and Commuter Express, based on adopted guidelines and criteria approved by the City Council in 1999 (CF 98-1121). A performance index score is calculated for each route based on the un-weighted average of the following three criteria: 1) Boardings per hour; 2) Subsidy per passenger mile; and 3) Farebox recovery ratio. Services that have a total index score of 0.50 or less are designated "poor" performers and are to be considered for cancellation. Services with a score of less than 0.70, but higher than 0.50, are considered "marginal" performers and should be the subject of further evaluation and possible restructuring or cancellation. An overall index score of 1.0 is the average for all fixed route services.

The City's adopted transit line ranking system was utilized by the consultant as the basis for evaluating the performance of all fixed route DASH and Commuter Express services. This methodology was used to comprehensively evaluate performance on entire routes, route segments, time of day, day of week, etc. A goal of the analysis was to identify partial service reductions where feasible, and to only eliminate entire routes when necessary to address the projected budget shortfall.

The consultant also considered the extent to which City funds are leveraged with other non-City funding (including Metro FAP funds and passenger revenues). LADOT's transit programs generate approximately \$31.7 million per year in non-City funding subsidies (excludes passenger revenues) which supplement City Proposition A funds. As previously discussed, the Downtown DASH and Commuter Express services are generally highly leveraged with outside funding provided by Metro. In contrast, most Community DASH services are not leveraged with Metro funding (not currently eligible for FAP funding) and are typically funded entirely with City Proposition A funds. Overall, the Commuter Express and DASH programs account for approximately \$29 million per year in outside funding (91% of all non-City subsidies).

The Cityride Dial-a-Ride and Cityride Taxi Subsidy Programs also receive Metro funding, but at a relatively smaller level compared to the Commuter Express and Downtown DASH services. The two Cityride programs generate approximately \$2.7 million per year in outside funding, or 9% of all non-City subsidies. The Cityride Bus Pass Subsidy Program and the Charter Bus Program receive no outside funding and are funded entirely with City Proposition A funds.

Finally, the consultant considered the extent to which individual LADOT routes are duplicated by regional services provided by Metro or other transit operators. Services with low performance scores and/or a high percentage of City funding and duplication with Metro were likely candidates for recommended service reduction or elimination.

A summary informational table reflecting the three primary evaluation criteria for LADOT's fixed route transit services, including line performance ranking scores, the percentage of City funding and route duplication, is included as **Attachment 2** to this report.

Preliminary Transit Service Recommendations

The Department's consultant, TMD, has completed its analysis of LADOT transit services and has developed a set of preliminary recommendations to address the projected shortfall in City Proposition A funds. The preliminary recommendations, which are outlined in **Attachment 3** of this report, contain impacts to all four of LADOT's transit programs including DASH, Commuter Express, Cityride and Charter Bus. All LADOT transit programs were evaluated as part of the Line-By-Line Analysis in order to minimize the potential impacts to any one program. In addition, both service cuts and fare increases or program fees were considered in order to help balance the impacts on riders and minimize the elimination of needed transit services.

As summarized below, the preliminary recommendations are estimated to generate a combined total annual cost savings/revenue increase of approximately \$28.0 million in the first year (FY 2010-11) and \$30.5 million in the second year (FY 2011-12) and each year thereafter. This level of estimated cost savings is needed to address the City's near term projected Proposition A budget shortfall. The recommended service cuts and fare increases summarized below assume that no Measure R local return funds (or other local non-Proposition A funding sources such as Proposition C) will be utilized by the City to help fund existing LADOT transit services.

Preliminary Transit Service Recommendations - Summary

SERVICE NAME	RECOMMENDATIONS	RIDERSHIP IMPACTS*	EST. ANNUAL COST SAVINGS/ REVENUE INCREASE
DASH / Commuter Express	Service reductions and route eliminations	1.9 M / Yr.	\$7.4 M
	Fare Increases (Two-Step)	1.6 M / Yr. 1 3.4 M / Yr. 2	\$2.7 M (Yr. 1) \$5.2 M (Yr. 2)
Cityride	Reduction in City subsidies and fee increases; no elimination of services	Impacts to all Cityride clients	\$13.4 M
Charter Bus	Elimination of program using Prop A funds	Impacts to all Charter Bus users	\$4.5 M
		TOTAL:	\$28.0 M (Yr. 1) \$30.5 M (Yr. 2)

* Figures for DASH and Commuter Express represent estimated annual loss of ridership from service reductions/eliminations and fare increases; total estimated loss of 3.5 M riders in Year 1 and 5.3 M riders in Year 2 and thereafter.

The consultant's summary report containing key findings and additional discussion concerning the preliminary recommendations is provided as **Attachment 4** of this report.

Financial Impact Analysis – Prop A Forecast

As summarized above, the preliminary recommendations from the Line-By-Line Analysis are estimated to result in a total of \$28 million in cost savings and increased revenues during the first year of implementation; this figure increases to \$30.5 million per year in the second year and each subsequent year. These cost savings and revenue increases are expected to address the immediate concerns about the projected Proposition A shortfalls in FY 2010-11 and FY 2011-12 by creating a small surplus.

However, even assuming implementation of all preliminary recommendations from the Line-By-Line Analysis, the Proposition A forecast still reflects significant projected shortfalls starting in FY 2012-13 (Year 3). Therefore, the Department believes it is critical for the City to implement a set of recommendations that addresses the projected funding shortfall beyond next fiscal year's estimated deficit of \$23 million. A goal of the Line-By-Line Analysis was to develop a financially sustainable plan, not just for FY 2010-11 but for the near future. Planning ahead now for the projected shortfalls beyond FY 2010-11 will allow the City to minimize the level of service cuts that may be needed starting in FY 2012-13. The following table summarizes the projected Proposition A

shortfall/surplus over the next five years, both before and after implementation of the preliminary recommendations.

Financial Impacts of Preliminary Recommendations

	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15
Existing Prop A Shortfall	-\$22.8 M	-\$55.3 M	-\$98.7 M	-\$134.5 M	-\$177.1 M
Savings/Rev. Increase per Yr.*	\$28.0 M	\$30.5 M	\$30.5 M	\$30.5 M	\$30.5 M
Revised Shortfall/Surplus*	+\$5.2 M	+\$3.2 M	-\$9.7 M	-\$15.0 M	-\$27.1 M

* After implementation of preliminary recommendations

The Department's goal is to implement the recommended service changes by July 1, 2010, in order to realize the full impact of the resulting cost savings and revenue increases in FY 2010-11. Delays in implementation would reduce the projected financial benefits and could result in a shortfall of funds in FY 2010-11, potentially impacting the provision of all LADOT transit services. Similarly, while the City Council may elect to modify the Department's specific recommendations concerning transit service cuts and fare increases, it is important that a comparable level of cost savings and revenue increases are achieved to address the near term financial viability of the City's Proposition A fund. As previously mentioned, City Measure R funds may also be used to help fund the cost of existing LADOT transit services. As well, the City can and should pursue inclusion of all LADOT DASH services in Metro's FAP as a strategy to ensure longer term financial sustainability.

Public Outreach

Subsequent to the Department's initial study outreach efforts in September 2009, the preliminary recommendations from the Line-By-Line Analysis were made available to the public for comment starting in December 2009. In addition to posting the preliminary recommendations on the study website, public brochures (Attachment 1) were placed on LADOT buses and copies of the brochures were mailed to all Cityride clients. In addition, the brochures were also mailed to key stakeholders including City Council offices, neighborhood councils, business improvement districts, and chambers of commerce in the City. Stakeholders were provided several options to submit comments on the preliminary recommendations including via the study website, leaving a telephone message at the LADOT Transit Store or by mail. Stakeholders may also choose to comment by attending one of a series of public hearings that LADOT is planning to conduct throughout the City starting in February 2010.

Next Steps

As discussed above, the Department plans to conduct a series of public hearings throughout the City starting in February 2010 to solicit public comments concerning the preliminary recommendations from the Line-by-Line Analysis. Per adopted City policy concerning transit public notification (C.F. 04-1110), public hearings would be scheduled at meeting locations of each Area Planning Commission throughout the City. Following the public hearings, LADOT and its consultant will review all submitted public comments and will modify the preliminary recommendations, as appropriate. LADOT will then forward, in a separate report, its final recommendations for transit service cuts and fare increases to the City Council for approval. Following approval by the City Council, LADOT will implement the approved service changes. LADOT's goal is to implement the service changes by July 1, 2010 in order to mitigate the need for additional service cuts and fare increases in FY 2010-11.

IMPACT ON THE BUDGET

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

Attachments:

- Attachment 1: Public Brochure – Summary of Preliminary Recommendations
- Attachment 2: Fixed Route (DASH and Commuter Express) Line Rankings Table
- Attachment 3: Preliminary Line-By-Line Recommendations – Summary Table
- Attachment 4: TMD Line-By-Line Analysis Summary Report

ATTACHMENT 1

**PUBLIC BROCHURE – SUMMARY OF PRELIMINARY
RECOMMENDATIONS**

FACTS:

- LADOT provides services for four public transportation programs: **DASH, Commuter Express, Cityride, Charter Bus**
- Rider fares only account for a small portion of the cost to operate services.
- Greatest portion of costs to operate services comes from federal, state and local subsidies. Due to the economy, subsidies from state and local sources have been substantially reduced or lost.
- LADOT transit services are facing an approximately \$350 million budget shortfall over the next decade and \$23 million in the next fiscal year, beginning July 1, 2010.

ANALYSIS:

- LADOT is conducting a transit service analysis to examine all its services and determine what measures can be undertaken to address the shortfall.
- Part of the analysis process includes public comment and suggestions.
- Services that are underperforming, oversubsidized by LADOT and/or duplicating existing transit services are being proposed for reductions or eliminations.
- Initial analysis of data and public comments has been completed.
- All four LADOT transit services are affected.
- PRELIMINARY recommendations are detailed in this brochure.

NEXT STEPS:

- Gather public comments/suggestions to the PRELIMINARY recommendations. Comments/suggestions can be submitted via:
 1. **Internet** –
Go to <http://ladotlbl.tmdinc.net>
 2. **Telephone & Leave Message** –
Call (213) 455-0880
 3. **Mail** – Send your comments to
LADOT, 201 North Los Angeles St.,
Space 18B, Los Angeles, CA 90012
- Review comments/suggestions and revise preliminary recommendations as necessary.
- Schedule and conduct public hearings (tentatively scheduled for February). Public hearing dates and locations will be available at <http://ladotlbl.tmdinc.net>, (213) 455-0880 and on buses.
- Analyze comments and suggestions from public hearings.
- Present FINAL LADOT recommendations to Los Angeles City Council for vote/approval.
- Implement approved recommendations by 7/1/2010.



CITY OF LOS ANGELES DEPARTMENT OF TRANSPORTATION

For more information, please call
(213) 455-0880
or visit <http://ladotlbl.tmdinc.net>

LADOT

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Results from **TRANSIT SERVICE ANALYSIS:**

Preliminary Recommendations for Fare and Service Changes

December 2009

COMMUTER EXPRESS

PRELIMINARY RECOMMENDATIONS

ROUTES TO BE ELIMINATED

- 413 – Van Nuys/Burbank/North Hollywood/Los Angeles
- 430 – Brentwood/Pacific Palisades/Los Angeles
- 575 – Simi Valley/Warner Center

ROUTES WITH SERVICE CHANGES

- 142 – San Pedro/Long Beach: Eliminate service to Customs House; reduce frequency to every 30 minutes; end service at 9:00 PM
- 419 – Chatsworth/Northridge/Granada Hills/Mission Hills: Remove service west of Chatsworth Metrolink Station
- 422 – Central LA/Hollywood/San Fernando Valley/Thousand Oaks & 423 – Newbury Park/Thousand Oaks/Woodland Hills/Encino/Downtown LA: Eliminate service to/from Ventura County; end service at Westlake Village

ROUTES WITH NO CHANGES (other than fare increase noted below)

- 409, 431, 437, 438, 448, 534, 549, 573, 574

FARE INCREASE

FARE TYPE	CURRENT FARE	YEAR 1 FARE	YEAR 2 FARE	
Cash*	base	\$0.90	\$1.25	\$1.50
	zone 1	\$1.75	\$2.25	\$2.50
	zone 2	\$2.20	\$2.75	\$3.00
	zone 3	\$2.65	\$3.50	\$3.75
	zone 4	\$3.10	\$4.00	\$4.25
Monthly Pass	base	\$40.00	\$52.00	\$57.00
	zone 1	\$56.00	\$72.00	\$80.00
	zone 2	\$71.00	\$90.00	\$100.00
	zone 3	\$86.00	\$120.00	\$130.00
	zone 4	\$99.00	\$130.00	\$140.00
Trip Ticket Booklet	base	\$18.00	\$25.00	\$30.00
	zone 1	\$32.00	\$45.00	\$50.00
	zone 2	\$39.00	\$55.00	\$60.00
	zone 3	\$46.00	\$70.00	\$75.00
	zone 4	\$52.00	\$80.00	\$85.00

*Persons 65 years of age or older, persons with disabilities and Medicare card holders: 1/2 cash fares listed above

DASH

PRELIMINARY RECOMMENDATIONS

ROUTES TO BE ELIMINATED

- Central City East
- Downtown Route C
- Downtown Route DD
- Fairfax
- Hollywood/West Hollywood
- Hyde Park Shuttle
- Van Nuys/Studio City
- Warner Center (North & South)

ROUTES WITH SERVICE CHANGES

- Downtown Route D: Reduce frequency to every 15 minutes after 6:00 PM
- El Sereno/City Terrace: Reduce frequency to every 30 minutes from 8:00 PM – 10:00 PM
- Highland Park/Eagle Rock: Eliminate service along Yosemite Dr. and Colorado Blvd. east of Townsend Ave.
- Lincoln Heights/Chinatown: Change routing as follows: Serve current routing from College St. and Centennial St. in Chinatown to Broadway and Lincoln Park Ave. in Lincoln Heights (both directions). Eliminate all other portions of route including Cesar Chavez Ave., Main St. and Griffin Ave.
- Northridge: Eliminate AM and PM Commuter Service and reduce frequency to every 15 minutes
- Wilmington: Eliminate service after 7:00 PM

ROUTES WITH NO CHANGES (other than fare increase noted below)

- Beachwood Canyon, Boyle Heights/East Los Angeles, Chesterfield Square, Crenshaw, Downtown A, Downtown B, Downtown E, Downtown F, Hollywood, Hollywood/Wilshire, King-East, Leimert/Slauson, Loz Feliz, Midtown, Panorama City/Van Nuys, Pico Union/Echo Park, San Pedro, Southeast/Pueblo Del Rio, Vermont/Main, Watts, Wilshire Center/Koreatown

FARE INCREASE

FARE TYPE	CURRENT FARE	YEAR 1 FARE	YEAR 2 FARE
Cash	\$0.25	\$0.35	\$0.50
Senior/disabled	\$0.10	\$0.15	\$0.25
Monthly Pass	\$9.00	\$13.00	\$18.00
Trip Ticket Booklet	\$15.00	\$21.00	\$30.00

CITYRIDE

PRELIMINARY RECOMMENDATIONS

PROGRAM ELEMENTS TO BE ELIMINATED

- Bus Pass Subsidy: Cityride participants will no longer be able to use Cityride fare value (formerly scrip) to buy Metro Monthly Passes, but can still purchase the substantially discounted Metro Passes for \$14/month.

PROGRAM ELEMENTS TO UNDERGO REDUCTION

- Reduce the annual fare value (formerly scrip) allotment to \$168/year (\$42 per quarter)
- Reduce Dial-A-Ride maximum trip length to 10 miles

FARE STRUCTURE CHANGES

INCREASE QUARTERLY FEES	\$9 for low-income participant, \$21 for other participants
INCREASE DIAL-A-RIDE CASH FARES FOR STAND-BY TRIPS*	\$3 for all trips (up to 10 miles)
INCREASE ONE-TIME EMERGENCY FARE VALUE (FORMERLY SCRIP) FEES	\$12 for \$24 of fare value



PRELIMINARY RECOMMENDATIONS

ENTIRE PROGRAM TO BE ELIMINATED*

- * Or find other City funding that does not use transit-specific Proposition A funds

It is not too late to offer your comments about these recommendations.

Submit your suggestions and comments in one of three ways:

1. Internet – Go to <http://ladotbl.tmdinc.net>
2. Telephone & Leave Message – Call (213) 455-0880
3. Mail – Send your comments to LADOT, 201 North Los Angeles St., Space 18B, Los Angeles, CA 90012

ATTACHMENT 2

**FIXED ROUTE (DASH and COMMUTER EXPRESS)
LINE RANKINGS TABLE**

DASH and Commuter Express Route Ranking

Route Information		Total Score	Ranking	Route Performance	City Funding %	Service Duplication	Service Duplication Level	Route Recommendation
MS	Metrolink-Bunker Hill	1.66	1	High	77.80%	Minor duplication with Downtown Metro service	Low	
PCVN	Panorama City/Van Nuys	1.49	2	High	76.54%	Van Nuys and Sepulveda Metro Rapid service	Moderate	
VTMN	Vermont/Main	1.35	3	High	79.70%	Vermont Ave Metro Rapid, Local	Moderate	
PU	Pico Union/Echo Park	1.34	4	High	35.40%	Washington Blvd Metro service	Low	
448	Express 448 - Rancho Palos Verdes	1.33	5	High	22.10%	Metro 445 for portions, but at higher frequency	Low	
CSQ	Chesterfield Square	1.33	6	High	18.00%	Florence Ave Metro Rapid, Local	Moderate	
438	Express 438 - Redondo Beach	1.32	7	High	23.20%	Slight service duplication in Downtown, generally operates as sole express service in the area	Low	
WTS	Watts	1.22	8	High	84.07%	Limited segments with Metro Local	Low	
W	Wilmington	1.22	9	High	86.07%	On portions, Metro Local (232), Torrance 3 on Hwy 1	Low	Eliminate weekday service after 7 PM due to poor performance during this period
SE	Southeast	1.14	10	High	83.90%	Vermont Ave, Slauson, Vernon Metro Rapid, Local	Moderate	
409	Express 409 - Sylmar/Tujunga	1.11	11	High	0.00%	None	None	
574	Express 574 - Sylmar/El Segundo	1.11	12	High	0.00%	None	None	
E	Downtown E	1.10	13	High	0.00%	7th street Metro Rapid, Local	High	
BH	Boyle Heights/East LA	1.09	14	High	13.40%	Metro Local on Wabash Ave, Marengo St (70, 71)	Moderate	
419	Express 419 - Chatsworth	1.08	15	High	35.50%	None	None	Remove service west of Metrolink Station due to poor ridership. The two stops west of the station account for only 2% of weekday ridership.
MT	Midtown	1.06	16	High	87.00%	Adams Ave Metro Local 37, Washington Ave Local 35,335,	High	
SP	San Pedro	1.06	17	High	14.30%	Minor duplication on Gaffey St by Metro Express 550	Low	
WC	Wishire Center/Koreatown	1.03	18	High	85.02%	Western, Vermont Metro Rapid, Local	High	

DASH and Commuter Express Route Ranking

Route Information		Total Score	Ranking	Route Performance	City Funding %	Service Duplication	Service Duplication Level	Route Recommendation	
NR	Northridge	1.02	19	High	85.10%	Nordhoff Local 166, 364	Moderate	Eliminate Commuter trippers due to duplication and reduce midday frequency to 15 Min due to marginal performance during this period	
573	Express 573 - Mission Hills/Century City	0.97	20	High	0.00%	None	None		
KE	King-East	0.97	21	High	88.52%	Central Ave Local. MLK Blvd Local.	Low		
437	Express 437 - Venice/Culver City	0.96	22	High	38.00%	None	None		
LS	Leimert/Slauson	0.95	23	High	68.60%	Vermont Metro Rapid, Local. Crenshaw Rapid, Local. MLK Blvd Rapid, Local.	Moderate		
CR	Crenshaw	0.94	24	High	87.90%	MLK Blvd Metro Rapid, Metro Local/community on significant portions south of MLK Blvd	High		
F	Downtown F	0.93	25	High	0.00%	Figueroa St Metro Local. Flower St, Metro, OCTA 701, 721	High		
HP	Highland Park/Eagle Rock	0.90	26	High	88.60%	Colorado Blvd Metro Rapid 780, Local 81, 180; Yosemite Local 181	Moderate		Eliminate service along Yosemite Dr. and Colorado Blvd. east of Townsend Ave due to Metro duplication
534	Express 534 - Westwood/Century City	0.89	27	High	40.80%	Complete duplication on Olympic Rapid 728, but only Express route in area	High		
ES	El Sereno/City Terrace	0.82	28	High	28.20%	Very Limited segments with Metro Local	Low		Reduce to 30 Min Frequency from 8 PM to 10 PM due to poor performance during this period
A	Downtown A	0.77	29	High	7.90%	1st street Metro Rapid, Local. Most of route, aside from loop through Little Tokyo	Moderate		
422	Express 422 - Thousand Oaks/Warner Cente	0.77	30	High	0.00%	None	None	Withdraw service from Ventura County.; serve Westlake Village (Joint 422/423 proposal). Ridership from the Ventura County segment accounts for just 6% of total CE 422 boardings. Each passenger in this segment represents a much higher cost per boarding to LADOT.	
H	Hollywood	0.76	31	High	90.10%	Vermont Ave Local 204 Rapid 754, short segment on Fountain Ave Local 175	Moderate		
HW	Hollywood/Wilshire	0.75	32	High	89.30%	Vine St Local 210 (connects to Wilshire), Western Ave Local 207 Rapid 757	Moderate		
PDR	Pueblo Del Rio	0.75	33	High	89.46%	None	None		
423	Express 423 - Thousand Oaks/Newbury Park	0.74	34	High	52.40%	None	None	Withdraw service from Ventura County; serve Westlake Village (Joint 422/423 proposal). Ridership in the Ventura Count segment accounts for 6% of total CE 423 ridership. Each passenger in this segment represents a much higher cost per boarding to LADOT.	

DASH and Commuter Express Route Ranking

Route Information		Total Score	Ranking	Route Performance	City Funding %	Service Duplication	Service Duplication Level	Route Recommendation
LH	Lincoln Heights/Chinatown	0.73	35	High	90.81%	Broadway Local 45, 83, 84. Main St Local 76. Cesar Chavez Ave Local 2, Rapid 704	Moderate	Operate every 15 minutes between Centennial/College and Broadway/Lincoln Park; Eliminate service along Cesar Chavez, Main, and Griffin; Span: 6:30 AM - 7:00 PM. Eliminated segment generates only 30% of the route's ridership but accounts for over half of the route's in-service time. Elimination of the segment saves significant operating costs while focusing resources on the most productive portion of the route. Additionally, service duplication covers most of the eliminated segment.
431	Express 431 - Westwood	0.72	36	High	53.80%	None	None	
549	Express 549 - Encino/Pasadena	0.70	37	High	0.00%	Minor duplication on each end	Low	
142	Express 142 - San Pedro/Long Beach	0.70	38	Marginal	56.70%	None	None	Remove alignment to Customs House; Reduce frequency to 30 minutes until 9 PM, end service at 9 PM. The alignment to Customs House adds additional distance to the route but only accounts for 1% of weekday ridership of CE 142. The Customs House segment increases travel time for the vast majority of CE 142 customers, adds cost, and serves very few riders. Trips after 9PM account for only 4% of total weekday ridership.
B	Downtown B	0.68	39	Marginal	13.60%	Heavy duplication on Grand Metro Rapid 714, 770, Local (8 total), 9 community, Temple St Metro Local.	High	
D	Downtown D	0.66	40	Marginal	2.50%	Main St 92, 33, 33 (many other partial segments).. Spring St 33,333,728 (many other partial segments). Heavy duplication on Grand 37,70,71,76,78,79,378,714,770) and Olive St (14,70,71,76,78,79,96,378,714,770).	High	Reduce to 15 Min Frequency after 6 PM due to duplication and poor performance after this time
430	Express 430 - Pacific Palisades/Westwood	0.64	41	Marginal	63.10%	Metro Line 2 to Commuter Express Line 431 (Westwood); VA Medical Center P&R.	Moderate	Cancel service due to poor performance
VNSC	Van Nuys/Studio City	0.63	42	Marginal	91.79%	On Burbank, Metro 156, 656. On Oxnard Metro 154.	High	Cancel service due to duplication
HWH	Hollywood/West Hollywood	0.53	43	Marginal	92.80%	Most of route. Sunset 2, 302. La Cienega 105, 705	High	Cancel service due to duplication
413	Express 413 - Van Nuys/Burbank	0.51	44	Marginal	56.50%	On Sherman Way 163/363, on Laurel Cyn. 230, on Victory 164, Metro Rapid 794, Metrolink.	Moderate	Cancel service due to poor performance
FF	Fairfax	0.51	45	Marginal	93.90%	Heavy duplication. Whilesire 20, 720, 920. Melrose 10. La Cienega 105, 705	High	Cancel service due to duplication
LF	Los Feliz	0.46	46	Poor	3.70%	Minor duplication on segments of route	Low	
575	Express 575 - Simi Valley/Chatsworth/Warner Center	0.45	47	Poor	63.00%	De Soto 244	Moderate	Cancel service due to poor performance

DASH and Commuter Express Route Ranking

Route Information	Total Score	Ranking	Route Performance	City Funding %	Service Duplication	Service Duplication Level	Route Recommendation
BC Beachwood Canyon	0.37	48	Poor	34.80%	Vine St Local 210. None otherwise	Low	
HYP Hyde Park	0.35	49	Poor	93.27%	Crenshaw 210, 710; Florence 111, 714; Van Ness 209; Slauson 108, 258	Moderate	Cancel service due to poor performance
C Downtown C	0.19	50	Poor	58.60%	Paralel on Grand Ave (14, 37, 70, 74, 76, 78, 79, 96, 378, 714, 770)	High	Cancel service due to poor performance
CCE Downtown Capital City East	-0.03	51	Poor	98.30%	None	None	Cancel service due to poor performance
WCN Warner Center DASH	-0.11	52	Poor	96.65%	Vanowen 165, De Soto 244, Victory 164	High	Cancel service due to poor performance

ATTACHMENT 3

**PRELIMINARY LINE-BY-LINE RECOMMENDATIONS
SUMMARY TABLE**

**City of Los Angeles Department of Transportation
Comprehensive Transit Service and Policy Assessment**

Fixed Route Changes								
Route	Reduction / Modification	Affected Council Districts	Passengers Per Hour	City Subsidy Per Mile ¹	City Subsidy Per Boarding ¹	Weekday Ridership	Weekend Ridership	Annual City Savings
DASH Route Average			45.5	\$0.32	\$0.54	94,000	83,000	
Commuter Express Average			23.6	\$0.10	\$1.48	8,500	850	
Fairfax DASH	Cancel service due to duplication	4, 5	23.9	\$1.75	\$2.97	1,067	-	\$912,000
Hollywood/West Hollywood DASH	Cancel service due to duplication	4, 5, 13	21.9	\$1.48	\$3.00	1,041	-	\$909,000
Warner Center	Cancel service due to poor performance	3	4.8	\$8.87	\$8.46	319	-	\$733,000
Van Nuys/Studio City	Cancel service due to duplication	2, 5, 6	28.8	\$1.25	\$2.42	1894	1024	\$1,323,000
Downtown Central City East DASH	Cancel service due to poor performance	9	6.7	\$14.64	\$9.22	74	-	\$177,000
Downtown C	Cancel service due to poor performance	9	13.3	\$4.49	\$3.06	259	-	\$206,000
Downtown DD	Cancel service due to poor performance	1, 9, 14	9.7	\$5.25	\$3.52	-	470	\$86,000
Hyde Park DASH	Cancel service due to poor performance	8	18.8	\$3.89	\$2.96	80	31	\$66,000
Lincoln Heights/Chinatown	Increase frequency to 15 mins; Operate between Centennial/College and Broadway/Lincoln Park; Eliminate service along Cesar Chavez, Main, and Griffin; Span: 6:30 AM - 7:00 PM	1, 14	24.8	\$5.01	\$2.63	1073	630	\$912,000
Highland Park/Eagle Rock DASH	Eliminate service along Yosemite Dr. and Colorado Blvd. east of Townsend Ave due to Metro duplication	1, 14	16.2	\$5.15	\$4.13	194	177	\$277,000
Northridge	Eliminate Commuter trippers and reduce midday frequency to 15 Min	3, 12	17.2	\$5.13	\$3.87	224	-	\$233,000
Downtown D DASH	Reduce to 15 Min Frequency after 6 PM	9, 14	12.7	\$5.26	\$5.38	102	-	\$145,000
El Sereno/City Terrace DASH	Reduce to 30 Min Frequency from 8 PM to 10 PM	1, 14	14.9	\$6.05	\$5.27	60	62	\$119,000
Wilmington DASH	Eliminate weekday service after 7 PM	15	19.0	\$5.12	\$3.51	76	-	\$72,000
CE 142 San Pedro/Long Beach	Remove alignment to Customs House; Reduce frequency to 30 min until 9 PM, end service at 9 PM	15	14.7	\$7.98	\$10.84	147	-	\$357,000
CE 413 Van Nuys/Burbank/No.	Cancel Service	2, 6, 9	11.8	\$0.99	\$8.46	122	-	\$268,000
CE 575 Simi Valley/Warner Center	Cancel Service	3, 12	8.1	\$1.24	\$13.04	53	-	\$180,000
CE 430 Brentwood/Pacific Palisades/LA	Cancel Service	1, 9, 11, 14	9.8	\$0.55	\$13.00	53	-	\$179,000
CE 423 Thousand Oaks	Withdraw service from Ventura County; serve Westlake Village (Joint 422/423 proposal)	3, 5, 8, 9	6.5	\$7.27	\$22.38	26	-	\$154,000
CE 419	Remove service west of Metrolink Station	7, 8, 9, 12, 14	8.0	\$7.21	\$18.02	8	-	\$39,000
Total Fixed Route Changes						6,872	2,394	\$7,347,000

¹City Subsidy includes farebox revenue, FAP, and other non-City of Los Angeles subsidies

**City of Los Angeles Department of Transportation
Comprehensive Transit Service and Policy Assessment**

Fare Type	Current Fare	Fare Changes			Ridership and Revenue Impacts	Year		
		FY10-11	FY11-12			FY10-11	Ridership	Revenue
DASH Cash Fare	\$0.25	\$0.35	\$0.50					
DASH Discount Fare	\$0.10	\$0.15	\$0.25					
DASH Monthly Pass	\$9.00	\$13.00	\$18.00					
CE Base Cash	\$0.90	\$1.25	\$1.50					
CE Zone 1 Cash	\$1.75	\$2.25	\$2.50					
CE Zone 2 Cash	\$2.20	\$2.75	\$3.00					
CE Zone 3 Cash	\$2.65	\$3.50	\$3.75					
CE Zone 4 Cash	\$3.10	\$4.00	\$4.25					
LADOT Pass	\$40.00	\$52.00	\$57.00					
CE Zone 1 Pass	\$56.00	\$72.00	\$80.00					
CE Zone 2 Pass	\$71.00	\$90.00	\$100.00					
CE Zone 3 Pass	\$86.00	\$120.00	\$130.00					
CE Zone 4 Pass	\$99.00	\$130.00	\$140.00					
LADOT Booklet	\$18.00	\$25.00	\$30.00					
Booklet Zone 1	\$32.00	\$45.00	\$50.00					
Booklet Zone 2	\$39.00	\$55.00	\$60.00					
Booklet Zone 3	\$46.00	\$70.00	\$75.00					
Booklet Zone 4	\$52.00	\$80.00	\$85.00					
						Total Fare Increase Revenue FY11-12 On		\$5,200,000

**City of Los Angeles Department of Transportation
Comprehensive Transit Service and Policy Assessment**

Cityride Recommendations				
Recommendation	Users Affected	Impact	Annual City Savings	
Eliminate Bus Pass Subsidy Program	29,000 Average Cityride users purchase passes monthly	Low-income users will see monthly cost go from \$0.98 to \$14, the regular Metro discounted pass	\$7,800,000	
		Results in a per trip cost of 36¢ instead of current 3¢		
Increase Quarterly Fees and Reduce Cityride Annual Fare Value to \$168	All Regular Monthly Cityride Users	Proposed increase to \$9 (+\$3) per quarter for low-income clients and \$21 (+\$6) per quarter for non-low income clients to receive \$168 annual fare value	\$5,600,000	
Reduce Dial-a-Ride (DAR) service by 50% based upon expected reduction in demand	800 Users per day	Fewer trips available for those remaining with the DAR program and choosing not to use other modes such as Metro, Access, and Taxi		
Limit DAR trips to 10 miles or less	800 Users per day	Shorter trips available for those remaining with the DAR program and choosing not to use other modes such as Metro, Access, and Taxi		
Increase DAR cash fare to \$3.00 per trip after scrip is exhausted	800 Users per day	Users currently pay \$1.00 per trip between 1-10 miles once scrip quantity is exhausted		
Taxi Subsidy reduced based upon demand	2,500 Users per day	Current users of DAR or Taxi would have a number of other options as well: Metro ACCESS (if eligible), City Department of Aging Senior Shuttle, fixed route (fully accessible).		
Increase one-time emergency fare value fees	6,700 Users per year	Increase current rate of \$2 for \$24 of fare value to \$12 for \$24 of fare value	\$67,400	
Total Cityride Recommendations			\$13,467,400	
Charter Bus Recommendations				
Discontinue Charter Bus program unless alternative funding is made available	500,000 annual trips	All users of Charter Bus trips would be affected	\$4,500,000	
Total Charter Bus Recommendations			\$4,500,000	
City Savings and Revenue Increase Summary				
			FY10-11	FY11-12-on
		Fixed Route - Service Reductions	\$7,347,000	\$7,347,000
		Fare Increase	\$2,700,000	\$5,200,000
		Cityride Recommendations	\$13,467,400	\$13,467,400
		Charter Bus Program Discontinuance	\$4,500,000	\$4,500,000
		Total Recommendations	\$28,014,400	\$30,514,400

ATTACHMENT 4

**TMD LINE-BY-LINE ANALYSIS
SUMMARY REPORT**

City of Los Angeles Department of Transportation
Comprehensive Transit Service and Policy Assessment

Recommendations

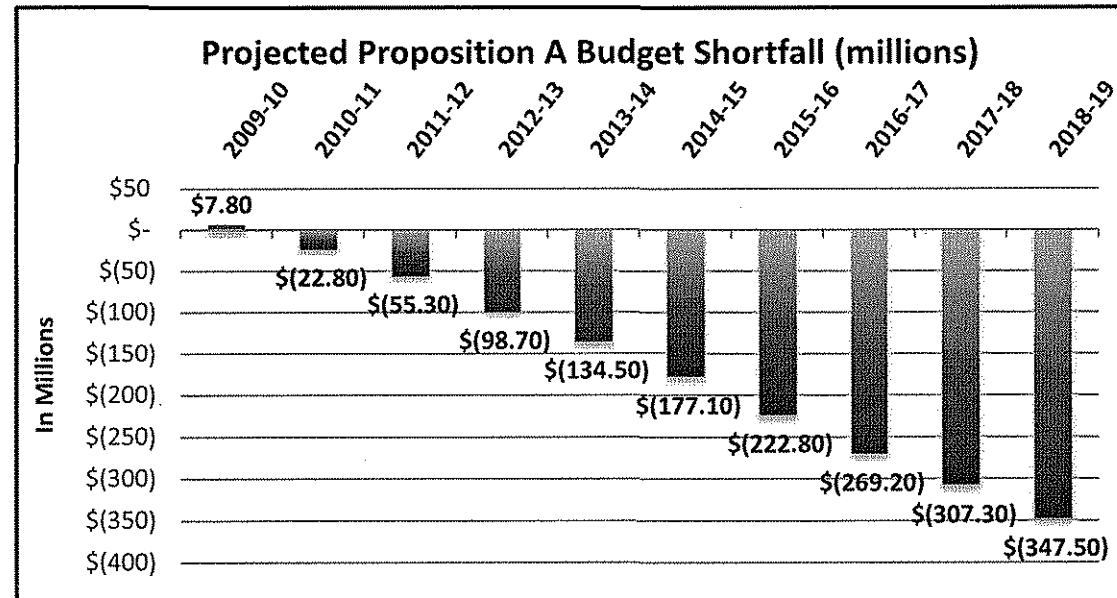
PRELIMINARY

January 27, 2010



Background

- LADOT Transit Services face a significant Proposition A budget shortfall over the next 10 years
- Projected \$23 Million deficit for FY 10-11 growing to nearly \$350 million over 10 years if services and user fees remain unchanged



Background

- Deficit is nearly 40% of LADOT's overall net transit program budget
- Shortfall largely the result of elimination or reduction of State and local transit funding, and increased costs of providing services
- Requires immediate service reductions and user fee changes

Proposition A Funded Programs

LADOT

Fixed-Route - Current fixed-route services lie within Metro's service area

- **DASH** – 33 Routes carrying over 94,000 weekday and 82,000 weekend passengers
- **Commuter Express** – 16 routes carrying nearly 8,500 weekday passengers

Cityride – Voluntary user-side subsidy transportation program and Dial-a-Ride transportation service for seniors/persons with disabilities

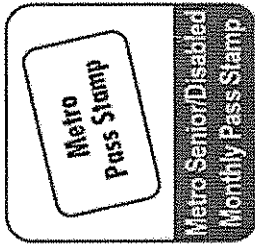
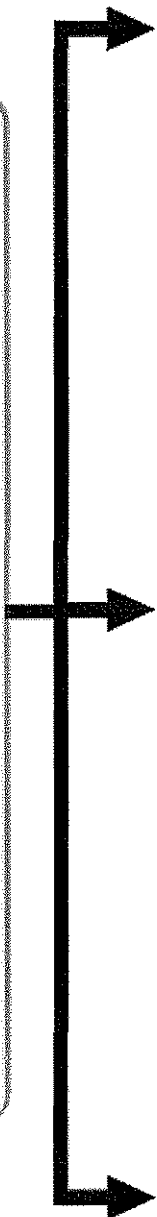
Charter Bus – Fully subsidized service for community groups, recreational, and educational purposes, primarily serving senior and youth groups (funded with Prop A)

Non-LADOT

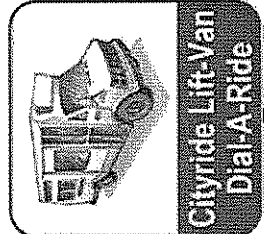
LA Department of Aging – Community based door-to-door paratransit service for seniors (funded with Prop A)

LADOT Cityride Program Overview

Seniors or Qualified Individuals with Disabilities may Purchase \$84 in Fare Value (Formerly Scrip) per Quarter for \$15/\$6 (Low Income). One-Time Annual Emergency \$24 in Fare Value for \$2.00.

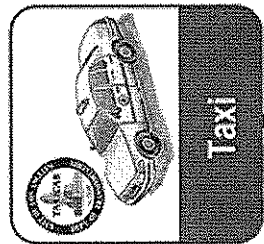


\$14 in Fare Value
Purchases One Metro Monthly Pass (Equates to \$2.50/\$0.98 (Low Income) out of pocket cost to Cityride clients)



Passenger Fare
\$2 in Fare Value - Trips for Groups of 4 or more
\$4 in Fare Value - Individual Trips up to 10 Miles
\$6 in Fare Value - Individual Trips up to 20 Miles

Standby Trips when Fare Value is Exhausted
\$1.00 Cash - Trips up to 10 miles
\$1.50 Cash - Trips up to 20 miles



\$12 in Fare Value
Covers up to \$12.00 Fare, Fare over \$12.00 must be paid in cash.

Existing Cityride - Discussion

- \$336 (\$84 per quarter) in City subsidized fare value (formerly scrip) available per year
- On average, Cityride clients purchase fare value for approximately two quarters per year, or approximately \$168 in fare value purchased per year
- Cityride clients are not taking advantage of the full fare value available as part of the program
- Cityride clients currently pay the equivalent of \$0.28 (low income) to \$0.72 (regular income) out of pocket cost for Dial-a-Ride service
- Typical DAR cash fares in LA County range from \$0.50 to \$2.00

Service Comparisons

- 75 Percent of all daily trips occur on Fixed-Route service
- Cityride User fees are well below regional average
 - Access Services, Inc. (ASI) \$2.25 per trip
 - County DAR cash fares \$0.50 to \$2.00

Ridership Revenue and Cost Comparison

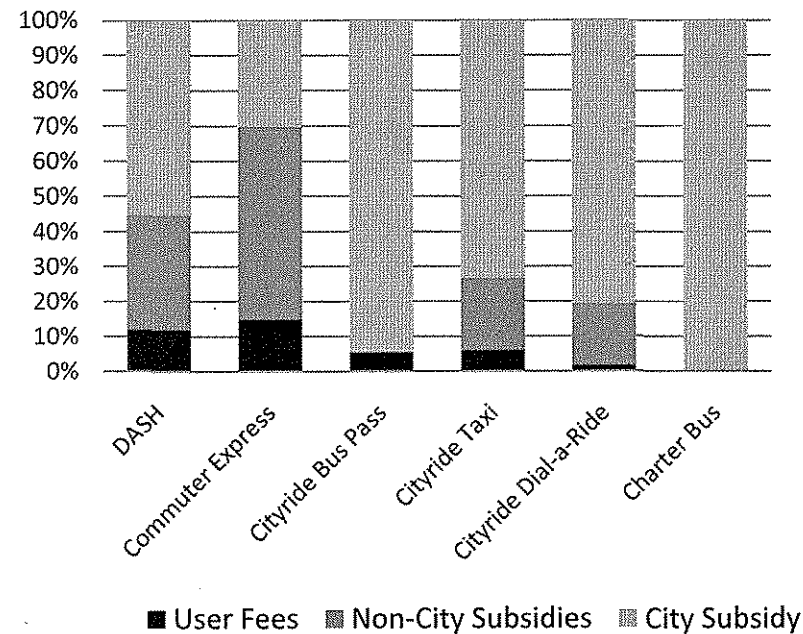
Service	Weekday Users	Net City Cost per Trip	User Fee per Trip
DASH	94,000	\$0.54	\$0.22
Commuter Express	8,500	\$1.48	\$1.16
Cityride Bus Pass	29,000 ¹	\$0.32	\$0.03-\$0.06
Cityride Taxi	2,500	\$7.00	\$0.70-\$1.80
Cityride DAR	800	\$28.00	\$0.28-\$0.72
Charter Bus	1,500	\$9.00	None

¹ Average monthly passes sold

Program Revenue

- User fees and non-City Subsidies account for majority of fixed-route operating costs
- Cityride programs have higher City subsidies and lower outside source contributions compared to DASH and Commuter Express
- Charter Bus receives 100% City subsidy

Annual Program Revenues



City Subsidies

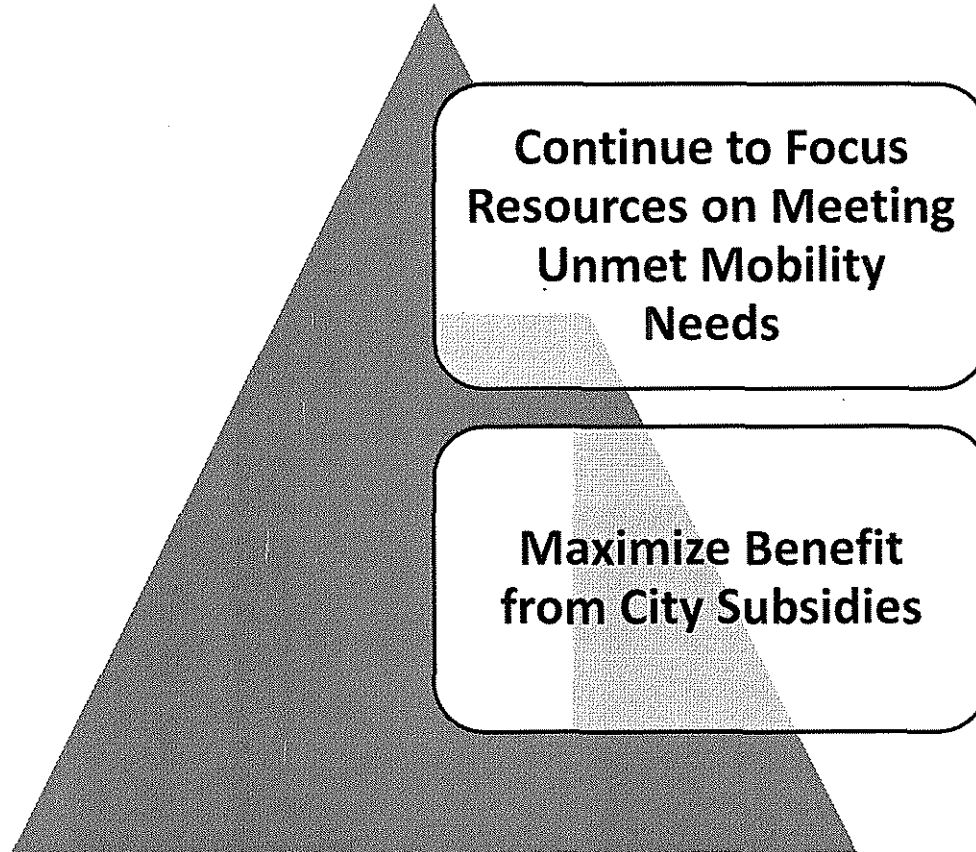
User Revenue and Cost Comparison (000s)

Service Type	Operating Cost	External Subsidy ¹	User Fee Revenue	Net City Subsidy	% Net City Subsidy
DASH	\$54,500	\$17,900	\$6,400	\$30,200	55%
Commuter Express	\$20,200	\$11,100	\$3,000	\$6,100	30%
Cityride Bus Pass	\$8,200	\$0	\$445	\$7,800	95%
Cityride DAR	\$7,400	\$1,300	\$125	\$6,000	81%
Cityride Taxi	\$6,800	\$1,400	\$400	\$5,000	74%
Charter Bus	\$4,500	\$0	\$0	\$4,500	100%
Dept. of Aging Shuttle	\$3,600	\$0	N/A ²	\$3,600	100%
Total	\$105,200	\$31,700	\$10,370	\$63,200	60%

¹ External subsidies include Formula Allocation Procedure (FAP) and other non-City of Los Angeles subsidies.

² Dept. Of Aging collects revenue with a suggested donation of \$0.50.

Strategy Framework



Focus Resources on Meeting Unmet Mobility Needs

Refine Unproductive Transit Service

- Although fixed-route service (DASH and Commuter Express) carries over 100,000 riders per day, opportunities for reduction or elimination of unproductive and/or Metro duplicated service exist

Reduce Overlap with Alternative Transit Services

- Cityride services overlap similar transit service operated by Access Services, Inc. (ASI) and the City (City's Department of Aging Senior Shuttles)

Maximize Benefit from City Subsidies

Leverage Available Funds

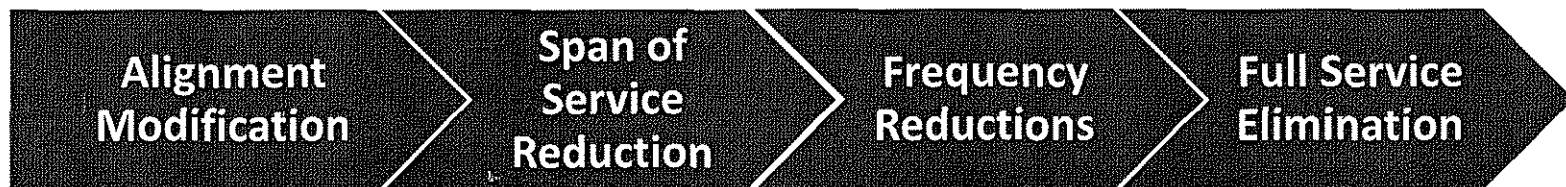
- City funds for fixed-route services are matched by other funds (e.g., FAP) to maximize mobility benefit per City dollar
- Cityride and Charter Bus programs do not significantly leverage City funds with external funding

Establish “Fair Share” User Fees

- Current user fees are inconsistent with cost of providing service for both fixed-route and Cityride
- Fares have remained largely unchanged for years
 - DASH fares have not been raised in over 24 years
 - Commuter Express Fares have increased only modestly in the past 10 years
 - Cityride user fees have not changed since 1993, while the City has increased the subsidized fare value by 40% (from \$60 to \$84 per quarter)

Fixed-Route Recommendations

- Routes have been analyzed and ranked using City Performance Index combined with:
 - Further analysis of route and service duplication
 - True City costs for services (analysis of external subsidies)
- The following service design modifications were used as a basis for developing recommendations:



Fixed-Route Recommendations

DASH Service Changes – Cancelled Routes

Route	Reduction / Modification	Affected Council Districts	Passengers Per Hour	City Subsidy Per Mile ¹	City Subsidy Per Boarding ¹	Weekday Ridership	Weekend Ridership	Annual City Savings
DASH Route Average			45.5	\$0.32	\$0.54	94,000	83,000	
Fairfax DASH	Cancel service due to duplication with Metro	4, 5	23.9	\$1.75	\$2.97	1,067	-	\$912,000
Hollywood/West Hollywood DASH	Cancel service due to duplication with Metro	4, 5, 13	21.9	\$1.48	\$3.00	1,041	-	\$909,000
Warner Center DASH	Cancel service due to poor performance	3	4.8	\$8.87	\$8.46	319	-	\$733,000
Van Nuys/Studio City DASH	Cancel service due to duplication with Metro	2, 5, 6	28.8	\$1.25	\$2.42	1,894	1,024	\$1,300,000
Downtown Central City East DASH	Cancel service due to poor performance	9	6.8	\$14.64	\$9.22	74	-	\$180,000
Downtown C	Cancel service due to poor performance	9	13.3	\$4.49	\$3.06	259	-	\$200,000
Downtown DD	Cancel service due to poor performance	1, 9, 14	9.7	\$5.25	\$3.52	-	470	\$86,000
Hyde Park DASH	Cancel service due to poor performance	8	18.8	\$3.89	\$2.96	80	31	\$66,258
Total DASH Cancelled Service						4,734	1,525	\$4,400,000

¹ City Subsidy is derived by subtracting farebox revenue, FAP, and other non-City of Los Angeles subsidies from the total service cost.

Fixed-Route Recommendations

DASH Service Modifications

Route	Reduction / Modification	Affected Council Districts	Pass Per Hour	City Subsidy Per Mile ¹	City Subsidy Per Boarding ¹	Weekday Ridership	Weekend Ridership	Annual City Savings
DASH Route Average			45.5	\$0.32	\$0.54	94,000	83,000	
Lincoln Heights /Chinatown DASH	Operate every 15 minutes between Centennial/College and Broadway/Lincoln Park; Eliminate service along Cesar Chavez, Main, and Griffin; Span: 6:30 AM - 7:00 PM.	1, 14	24.8	\$5.01	\$2.63	1,073	630	\$900,000
Highland Park/Eagle Rock DASH	Eliminate service along Yosemite Dr. and Colorado Blvd. east of Townsend Ave. due to duplication with Metro	1, 14	16.2	\$5.15	\$4.13	194	177	\$280,000
Northridge DASH	Eliminate Commuter trippers and reduce midday frequency to 15 Min	3, 12	17.2	\$5.13	\$3.87	224	-	\$230,000
Downtown D DASH	Reduce to 15 Min Frequency after 6 PM	9, 14	12.7	\$5.26	\$5.38	102	-	\$145,000
El Sereno/City Terrace DASH	Reduce to 30 Min Frequency from 8 PM to 10 PM	1, 14	14.9	\$6.05	\$5.27	60	62	\$120,000
Wilmington DASH	Eliminate weekday service after 7 PM	15	19.0	\$5.12	\$3.51	76	-	\$72,000
Total DASH Route and Frequency Changes						1,729	869	\$1,760,000

¹ City Subsidy is derived by subtracting farebox revenue, FAP, and other non-City of Los Angeles subsidies from the total service cost.

Fixed-Route Recommendations

Commuter Express Service Changes

Route	Reduction/Modification	Affected Council Districts	Pass Per Hour	City Subsidy Per Mile ¹	City Subsidy Per Trip ¹	Daily Ridership	Annual City Savings
Commuter Express Average			23.6	\$0.10	\$1.48	8,500	
CE 142 San Pedro/Long Beach	Remove service to Customs House; reduce frequency to 30 min until 9 PM, end service at 9 PM	15	14.7	\$7.98	\$10.84	147	\$357,000
CE 413 Van Nuys/Burbank/No. Hollywood/LA	Cancel Service	2,6,9	11.8	\$0.99	\$8.46	122	\$268,000
CE 430 Brentwood/Pacific Palisades/LA	Cancel Service	1, 9, 11, 14	9.8	\$0.55	\$13.00	53	\$179,000
CE 575 Simi Valley/Warner Center	Cancel Service	3, 12	8.1	\$1.24	\$13.04	53	\$180,000
CE 422/423 Thousand Oaks	Eliminate Ventura Co. Service; Serve Westlake Village	3,5,8,9	6.5	\$7.27	\$22.38	26	\$154,000
CE 419 Chatsworth	Remove Service west of Metrolink Station	7,8,9,12,14	8.0	\$7.21	\$18.02	8	\$39,000
Total Commuter Express						409	\$1,200,000
Total Fixed-Route (DASH and Commuter Express)						6,872	\$7,360,000

¹ City Subsidy is derived by subtracting farebox revenue, FAP, and other non-City of Los Angeles subsidies from the total service cost.

Fixed-Route Recommendations

Proposed Fare Changes

Fare Type	Current Fare	Year 1 Fare	Year 2 Fare
DASH Cash Fare	\$0.25	\$0.35	\$0.50
DASH Discount Fare	\$0.10	\$0.15	\$0.25
DASH Monthly Pass	\$9.00	\$13.00	\$18.00
CE Base Cash ¹	\$0.90	\$1.25	\$1.50
CE Zone 1 Cash ¹	\$1.75	\$2.25	\$2.50
CE Zone 2 Cash ¹	\$2.20	\$2.75	\$3.00
CE Zone 3 Cash ¹	\$2.65	\$3.50	\$3.75
CE Zone 4 Cash ¹	\$3.10	\$4.00	\$4.25
LADOT Pass	\$40.00	\$52.00	\$57.00
CE Zone 1 Pass	\$56.00	\$72.00	\$80.00
CE Zone 2 Pass	\$71.00	\$90.00	\$100.00
CE Zone 3 Pass	\$86.00	\$120.00	\$130.00
CE Zone 4 Pass	\$99.00	\$130.00	\$140.00
LADOT Booklet	\$18.00	\$25.00	\$30.00
Booklet Zone 1	\$32.00	\$45.00	\$50.00
Booklet Zone 2	\$39.00	\$55.00	\$60.00
Booklet Zone 3	\$46.00	\$70.00	\$75.00
Booklet Zone 4	\$52.00	\$80.00	\$85.00

ANNUAL IMPACTS		
Year	Year 1	Year 2-on
Revenue	\$2.7 M	\$5.2 M
Riders	(1.6 M)	(3.4 M)

¹ Elderly and disabled fares would be offered at 50 percent of the base cash fare for each zone (Current, Year 1, Year 2): Base: \$0.45, \$0.62, \$0.75; Zone 1: \$0.87, \$1.12, \$1.25; Zone 2: \$1.10, \$1.37, \$1.50; Zone 3: \$1.32, \$1.75; \$1.87; Zone 4: \$1.55; \$2.00; \$2.12).

Fixed-Route Recommendations

Summary

TOTAL ANNUAL SAVINGS / ADDED REVENUE		
Recommendation	Year 1	Year 2-on
Reduced Operating Costs	\$7,360,000	\$7,360,000
Additional Revenue	\$2,700,000	\$5,200,000
Total Fixed-Route	\$10,060,000	\$12,560,000

TOTAL ANNUAL RIDERSHIP IMPACT		
Recommendation	Year 1	Year 2-on
Service Changes	1,920,000	1,920,000
Fare Increase	1,600,000	3,400,000
Total Fixed-Route	3,520,000	5,320,000

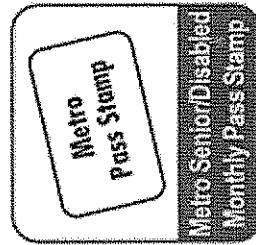
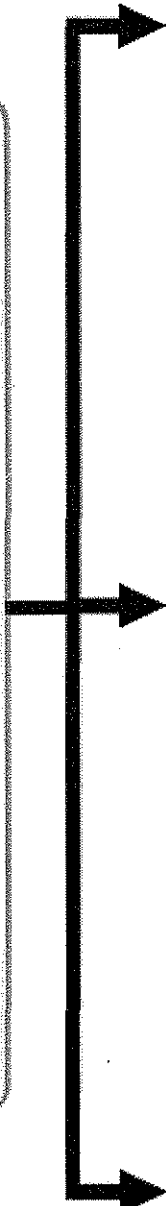
Cityride Recommendations

- Maintain existing services:
 - Discounted Metro bus pass still available (Subsidized by Metro)
 - City taxi service to continue to be available with adjustments
 - City Dial-a-Ride to continue to be available with adjustments
- Reduce City subsidy by increasing user fees:

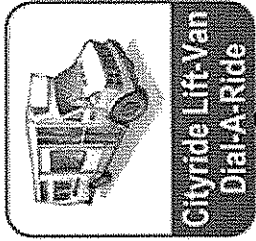
Service	Current User Fee	Proposed User Fee
Cityride Fare Value	\$15.00/\$6.00 Purchases \$84 in Fare Value per quarter	\$21.00/\$9.00 Purchases \$42 in Fare Value per quarter
Metro Pass	\$14 in Fare Value (\$2.50/\$0.98 direct cost after MTA and Cityride Subsidy)	\$14.00 (No City Subsidy) \$12.00 With Metro Rider Relief Program
Dial-a-Ride	\$2 to \$6 in Fare Value	\$2 to \$4 in Fare Value
Taxi	\$12 in Fare Value Covers \$12.00 Fare	No Change

Proposed Cityride Program

Seniors or Qualified Individuals with Disabilities may Purchase \$42 in Fare Value (Formerly Scrip) per Quarter for \$21/\$9 (Low Income). One-Time Annual Emergency \$24 Fare Value for \$12.00.

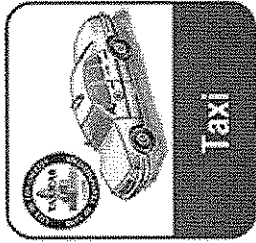


Metro Senior/Disabled Monthly Pass Stamp
No Fare Value – Eliminate Monthly Pass Subsidy, Available Directly From Metro for \$14.00 Cash (78% Subsidy)



Cityride Lift-Van Dial-A-Ride
Passenger Fare
\$2 in Fare Value – Trips for Groups of 4 or more
\$4 in Fare Value – Individual Trips up to 10 Miles
No DAR Trips Over 10 Miles

Standby Trips when Fare Value is Exhausted
\$3.00 Cash – Trips up to 10 miles



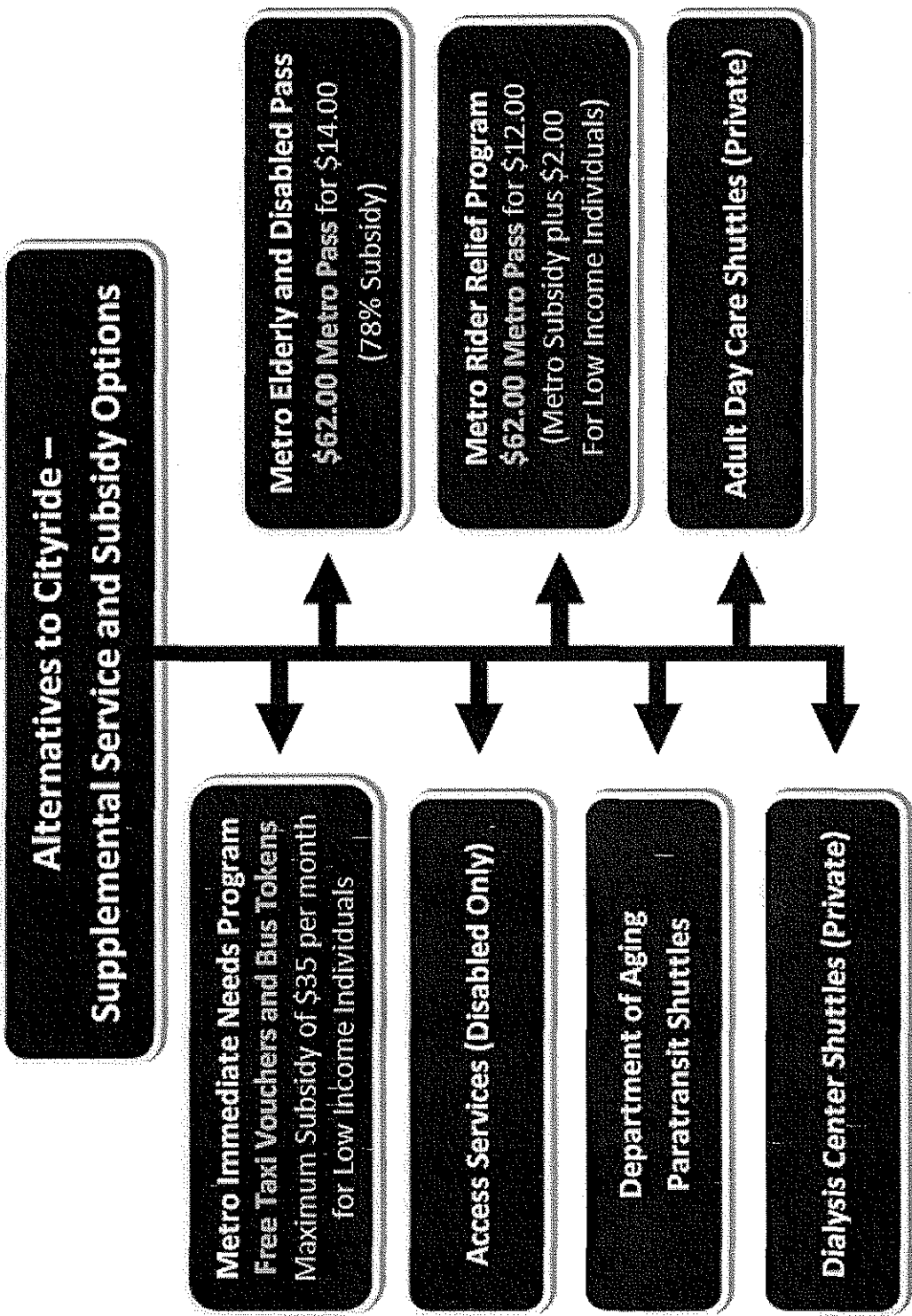
Taxi
\$12 in Fare Value Covers up to \$12.00 Fare, Fare over \$12.00 must be paid in cash.

Proposed Cityride - Discussion

- Proposed annual fare value of \$168 (\$42 per quarter) is consistent with the amount of fare value that the average Cityride client currently purchases in a year
- Cityride clients will pay \$0.86 (low income) to \$2.00 (regular income) out of pocket cost for DAR services, which is in line with current LA County DAR costs
- Cityride clients who exhaust their subsidized fare value may continue to ride Cityride DAR service by paying discounted cash fare and or receiving additional emergency fare value

Total Annual Savings (All DAR Recommendations)

\$5,600,000



Charter Bus Recommendations

Discontinue Charter Bus Program unless alternative funding is made available

- Charter Bus Program provides an estimated 500,000 annual passenger trips
- Program entirely funded by Proposition A dollars
- Discontinue service unless direct funding be made available through individual Council Districts and City Departments
- Contracts and service can be maintained should non-Proposition A funding be used

Total Annual Savings (Charter Bus)

\$4,500,000

Cost Savings Summary

LADOT's Transit Bureau Must Reduce Costs and/or Increase Revenue

- City is investigating the use of Measure R funds as a means to offset budget shortfall
- LADOT is in discussions with Metro about new FAP funding for Community DASH services
- City should incorporate these recommendations into an overall 10-Year Financial Plan

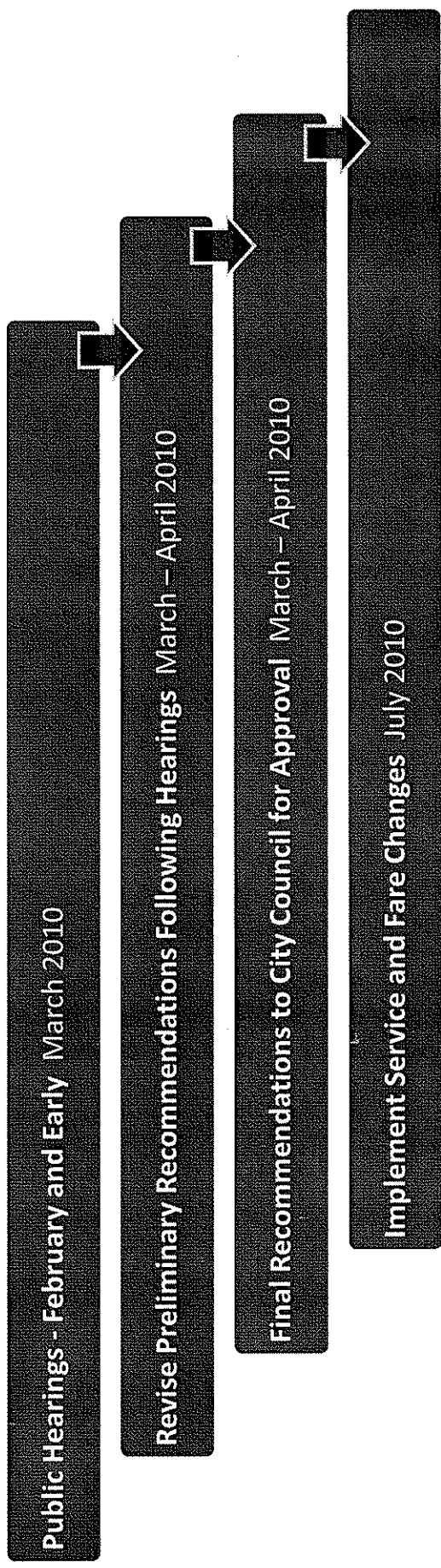
Annual Cost Savings Overview

Proposed Change	Daily User Impact	Annual Savings/Revenue	
		Year 1	Year 2-on
Fixed-Route – Service Reductions & Fare Increase	10,000	\$10,060,000	\$12,560,000
Cityride – Eliminate Bus Pass Program	29,000 ¹	\$7,800,000	\$7,800,000
Cityride – DAR Savings Initiatives	All Active Clients ²	\$5,600,000	\$5,600,000
Charter Bus – Eliminate Program	1,500	\$4,500,000	\$4,500,000
Total Savings/Revenue		\$27,960,000	\$30,460,000

¹ Number of passes sold per month

² There are currently 75,000 active clients in the Cityride Program

Next Steps



Public Hearings - February and Early March 2010

Revise Preliminary Recommendations Following Hearings March - April 2010

Final Recommendations to City Council for Approval March - April 2010

Implement Service and Fare Changes July 2010