

Urban Core Transit

Proposed Financial Model and Implementation

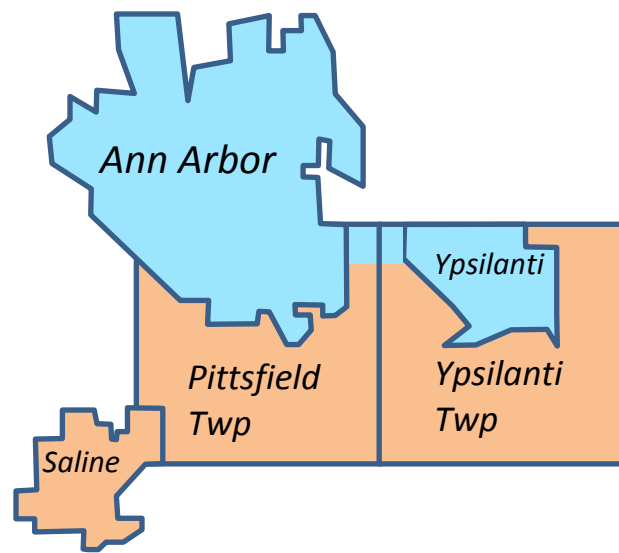
Materials for Discussion Among the
Local Elected Officials of the
Washtenaw County Urban Core

June 27, 2013

Goals of Today's Meeting

1. Update Service and Governance Decisions
2. Consensus on Financial Model
3. Set the Stage for Prioritization and Implementation of Services

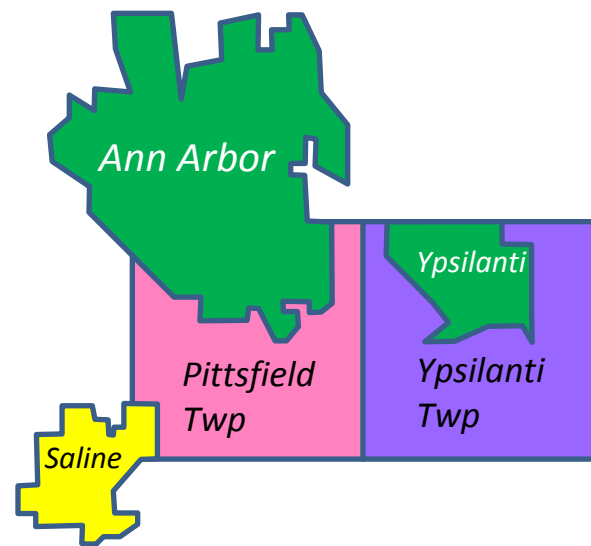
Recap: **Improve & Expand** Service Consensus



- Regional system of services
- General support for **improving existing services** and **expansion of services** into some previously unserved areas of the Urban Core
- For Ann Arbor and Ypsilanti, new routes, more direct routes, more frequency, later evenings, and more weekend services throughout the system
- More frequent connections between Ann Arbor and Ypsilanti
- For Saline, Pittsfield Township and Ypsilanti Township, new routes (express and local), extensions of existing routes, and township-wide dial-a-ride services
- Bus stop improvements, real time information for riders, transit signal priority for buses

Update: Governance

Ann Arbor Area Transportation Authority A³TA w/ multiple POSA's



- Addition of Ypsilanti to Authority (A³TA)
 - Ypsi request April 23, 2013
 - City of Ann Arbor approved June 3, 2013
 - Amended Articles approved by Ann Arbor (6/3), Ypsilanti (6/18) and AATA (6/20)
 - AATA Approves Ypsilanti Request June 20, 2013
 - Articles filing underway by City of Ann Arbor
 - Also adds 2 members to A³TA Board
 - Ypsilanti appointment
 - Ann Arbor appointment
- Establishment / Revision of Purchase-of-Service-Agreements (POSA's)
 - Reviewed service levels and costs with existing and potential POSA partners
 - Existing: Pittsfield Twp, Ypsilanti Twp, Superior
 - Potential: Saline, Dexter, Scio Twp
 - Quarterly Meetings w A³TA Board

A Possible Financial Model

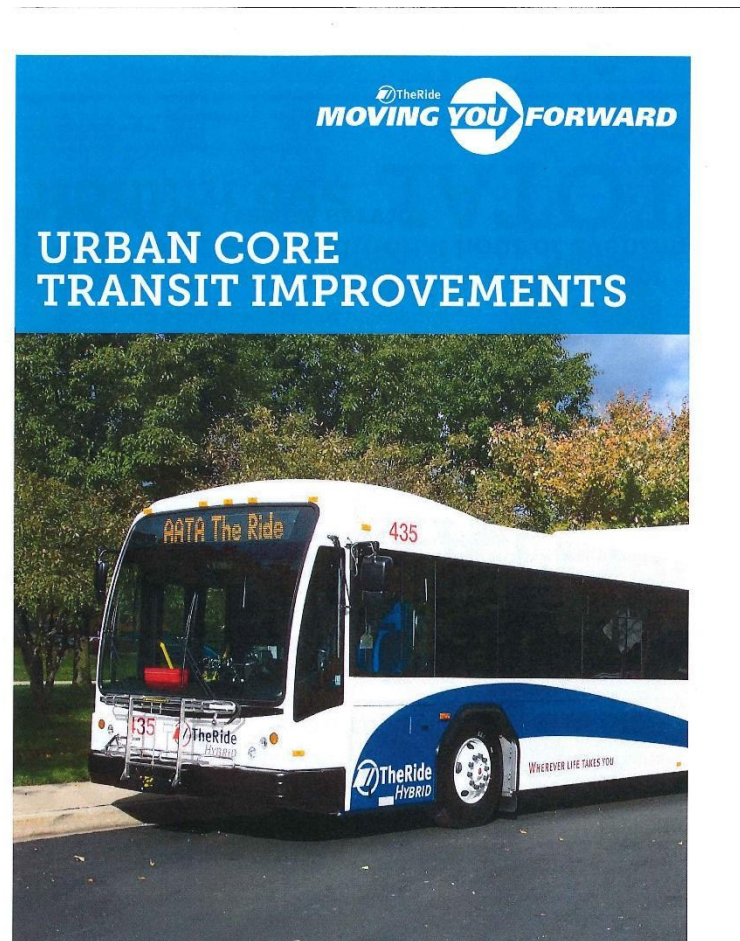
| Two-Jurisdiction Authority with POSA's | | | | | | | |
|--|--------------------------------|-------------|-----------|--|--------------|-------------|-------------------------|
| Jurisdiction | Existing Local Revenues (2013) | | | Projected Local Revenues (2019) - Year 5 of Five-Year Plan | | | Approximate Year 1 POSA |
| | Millage - Local | | POSA | Millage - Local & Authority | | POSA | |
| | Rate | Yield | | Rate | Yield | | |
| Ann Arbor | 2.056 mils | \$9,125,996 | 0 | 2.056 mils | \$10,557,941 | 0 | 0 |
| | | | | 0.7 mils* | \$3,230,007 | | |
| Ypsilanti | 0.987 mils | \$285,850 | \$301,831 | 0.987 mils | \$313,798 | 0 | 0 |
| | | | | 0.7 mils* | \$207,825 | | |
| Ypsilanti Township | | | \$293,536 | | | \$790,536 | \$392,936 |
| Pittsfield | | | \$139,702 | | | \$681,768 | \$248,115 |
| Superior | | | \$32,253 | | | \$52,253 | \$36,253 |
| Saline | | | 0 | | | \$175,221 | \$35,044 |
| Totals | | \$9,411,846 | \$767,322 | | \$14,309,571 | \$1,699,778 | \$712,348 |

0.7 mils is the estimated millage requirement to fund the plan as proposed, and is the basis for the associated dollar figures in this table. The 2019 0.7 millage amount does not include a factor for improved property values and is calculated using 2013 actual values. The Approximate Year 1 POSA amounts are based on a simple linear ramp-up period and will depend on the priorities defined by each jurisdiction.

Prioritization and Implementation

- Some service soon after funding
- Some service in all parts of service area
- Visible service early
- New buses limiting factor
- Changing existing service takes longer
- Discussion with partners on priorities for implementation

Ward and Township Information Package



JUNE 2013

OVERALL SYSTEM IMPACT

Savings*

\$ Transportation Cost Savings
(Money saved over traditional transportation)
\$28 million

\$ Affordable Mobility
(Versus private transportation for seniors & the disabled)
\$4 million

TOTAL \$32 million

✓ Ann Arbor Registered Voters

66% have used public transit in Ann Arbor | **95%** said it's important to provide public transit

41% Residential properties near public transportation performed this much better on average than properties without service from 2008 to 2011. | **54%** of frequent AATA riders have a car and a driver's license but choose to use public transportation!

1,000 fewer parking spaces downtown on a daily basis—the equivalent to constructing TWO new large parking structures at a cost of \$40,000,000**

Economic Impact*

\$ Economic impact of public transit:
\$78 million

\$ Economic impact of vehicle operating cost savings:
\$18 million

TOTAL \$96 million

👤 Millennials (under 39 years old)

23% Fewer miles driven than their counterparts in 2004¹ | **40%** more public transit usage¹

15% reduction in drunk driving for each additional hour of evening transit service⁵

SOURCES

* "Economic and Community Benefits of Local Bus Transit Service" – Michigan Department of Transportation, August 2009
Based on the Urban Core Materials dated March 28, 2013

** \$40,000,000 is the total and does not include the monetary and opportunity costs of using the land for parking.

For more information, visit movingyouforward.org

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Next Steps

- Prioritization / Implementation
- Working with communities
- Quarterly Status Meetings
- How can we help you?