

**ANNUAL REPORT OF THE
WEST SAN LEANDRO SHUTTLE
BUSINESS IMPROVEMENT DISTRICT
FOR FISCAL YEAR 2016-17**



**ANNUAL REPORT OF THE WEST SAN LEANDRO SHUTTLE
BUSINESS IMPROVEMENT DISTRICT**

Executive Summary & Recommendation

The Annual Report includes a brief history of the LINKS shuttle and the West San Leandro Business Improvement District (BID), ridership statistics, its current and planned operations, the LINKS budget and the proposed BID assessment for FY 2016-17.

The free LINKS shuttle service provides critical first-last mile transportation from the San Leandro BART station to the industrial area west of I-880 and Marina Blvd. LINKS operates Monday – Friday during peak commute hours (5:45 – 9:45 am and 3:00 – 7:00 pm).

In March 2015, the service was updated and now operates two buses each on a north and south loop. The new north and south loops shorten headways to 15-20 minutes, provide more frequent service and reduce the round trip to about 30 minutes. Since starting the new service, ridership has continued to increase, hitting a new peak of 19,117 rides, over 800 rides per day in September 2016. At that rate, the service will provide over 225,000 rides per year.

In August 2016, a new rider survey was conducted. Following are key findings:

- Overall satisfaction with the service increased with 90% of riders rating the service good to excellent.
- If LINKS were not available, 23% would drive alone proving that LINKS significantly reduces single occupancy vehicle trips. This is a key finding making our grant applications stronger.
- Satisfaction with the schedule improved significantly moving from a 64% good to excellent rating to 81%. The improvement is most likely a result of the expanded service, more frequent buses and shorter travel time.

Following is a summary of priority activities for FY 2016-17:

1. LINKS Service - Continue to work with the transportation provider to maintain on-time performance and enhance the LINKS rider experience.
2. Outreach - Outreach to employers and employees to educate and promote LINKS ridership.
3. Revenue Diversification – Continue to diversify revenue sources by maintaining current contracts with Kaiser Permanente (shuttle service) and Marina Square (advertising) and seek other revenue generating opportunities.
4. Grants - Aggressively seek grant and other funding opportunities. The SLTMO has applied for a five-year, \$1.7 million Measure BB grant which will stabilize funding and allow technology improvements. The Board will continue to work with the City of San Leandro and Alameda County Transportation Commission to secure this critical funding.

5. Shuttle Stops at BART – BART has started to work with stakeholders to develop BART Curb Use Guidelines determining how shuttle stops and curb space will be allocated. The SLTMO will participate in this process to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.
6. Shuttle Improvements – As funding becomes available, the SLTMO is committed to installing GPS based tracking to provide real time bus location information for riders.

BID Rate Recommendation

Increase the BID per employee assessment rate equal to the Consumer Price Index (CPI) in FY 2016-17 as provided for in Ordinance No. 2009-002. For FY 2016-17 the applicable CPI factor is 3.0 percent. This would result in the BID per employee rate increasing from \$21.55 to \$22.20. Businesses with three or fewer owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment.

Annual Report

Background

In 2000, the City of San Leandro evaluated the feasibility of implementing a commuter shuttle service connecting west San Leandro employment sites with the San Leandro BART station. Based on the results of that study, the San Leandro Transportation Management Organization (SLTMO) and a Business Improvement District (BID) were formed to provide management and funding for the LINKS Shuttle program.

The SLTMO is a 501c3 non-profit corporation governed by a Board of Directors that includes representation from businesses included in the BID and the City of San Leandro. The LINKS Shuttle service provides free transportation from the San Leandro BART station, the industrial area west of I-880, and the Marina Blvd. corridor.

Oversight of the BID is conducted by the West San Leandro Shuttle Business Improvement District Advisory Board (Advisory Board). The five to seven member Advisory Board includes two City staff designees and three to five business representatives. The Advisory Board's duties include annual review of the LINKS performance for submission to the City Council. The Ordinance authorizing the BID also provides that the City Council may increase the annual BID assessment in an amount not to exceed the increase of the Consumer Price Index as part of its review of the annual report.

BID Renewal

In December 2014, the Business Improvement District was re-authorized for 15-years and the LINKS service area was expanded. The BID fee was restructured from a base fee per business plus a flat fee per employee, to a single per employee flat fee. The new fee structure is simpler and more equitable for small businesses and the BID was reauthorized with less than 4% protest vote. BID fees are collected through the City's business license process and the BID funds approximately half of the LINKS service.

Service Enhancements

The BID renewal process provided an opportunity to consider service improvements. After outreach to businesses and in-depth work with transportation experts, the LINKS route was divided into two loops and expanded. The updated service started in March 2015. The new north and south loops provide more frequent service with shorter wait times, shorter round-trip rides and connections to businesses that previously could not access LINKS.

During this period, the San Leandro Transportation Management Organization (SLTMO) implemented other improvements including updated LINKS branding, new signage, brochure and new website. Over this last year, bus benches were added to stops that did not already have an existing AC Transit bench. All stops now have a bus bench with the exception of one stop where there is not enough room.

Current LINKS Operation

The LINKS shuttle service provides free shuttle transportation from the San Leandro BART station to the industrial area west of I-880 and Marina Blvd., a major employment center of the City and the region. LINKS continues to operate Monday – Friday during peak commute hours (5:45 – 9:45 am and 3:00 – 7:00 pm). The service operates two buses each on a North and South Loop. The new north and south loops shorten headways to 15-20 minutes, provide more frequent service and reduce the round trip to about 30 minutes.

LINKS provides critical “first and last mile” connection between transit and employers in West San Leandro, serving major employers including Coca Cola Bottling Company, Walmart and Costco, as well as small employers. There are over 600 employers and almost 17,000 employees in the LINKS service area. LINKS also provides transportation to commercial nodes including Marina Square and the Davis Street Family Resource Center which serves 10,000 low-income people each year.

BART recently started to work with stakeholders to develop BART Curb Use Guidelines which will determine how shuttle stops and curb space will be allocated at the BART station. The SLTMO is participating in this process to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.

Participation in the LINKS BID service area helps businesses comply with the BAAQMD Commuter Benefits program. In 2014, the Bay Area Air Quality Management District (BAAQMD) implemented a new Commuter Benefits Program that requires all employers with 50 or more full-time employees to provide commuter benefits to their employees. To comply with the Program, employers must select one (or more) of four commuter benefit options and register with BAAQMD. Participation in the LINKS BID satisfies Option 3 (“Employer Provided Transit”) under the new requirements, allowing businesses to save time and money.

LINKS Shuttle Ridership

The updated LINKS service started in mid - March 2015. Ridership for the “old” LINKS service averaged 14,435 rides per month with an average of 674 rides per day. Ridership for the new service (FY 2015-16) averaged 16,640 rides per month and 777 rides per day.

During the first several months of new service, LINKS experienced ongoing impacts related to prolonged and extensive construction along the LINKS route. Construction along the route is complete and LINKS on-time performance has improved substantially. Ridership has continued to increase, hitting a new peak of 19,117 rides, over 800 rides per day in September. At that rate, the service will provide over 225,000 rides per year.

Marketing and Outreach

Last year, the SLTMO launched a new marketing campaign including a new logo, brochure, shuttle stop signs and website. The new website (www.sanleandrolinks.com) provides easy access to service information. Riders quickly began using the contact function on the website to provide helpful feedback. The website can be updated in-house allowing timely updates and better service to riders.

This year the LINKS brochure was translated into Chinese and Spanish. Brochures were hand delivered to all businesses at the Marina Square Shopping Center and Davis Street Family Resource Center.

Rider Survey

Feedback from the 2013 survey led the SLTMO to undertake the service enhancements which were implemented last year. A new survey was postponed until the new service was up and running, construction along the route was finished and service bugs were ironed out.

In August 2016 a new rider survey was conducted. The survey showed significant improvement in rider satisfaction. Following are a few highlights from the Survey:

1. Nine out of ten riders use LINKS to commute to work.
2. One-half of the riders live in San Leandro.
3. Most of the riders are low-income and 75% say that it would be a financial hardship if LINKS were not available.
4. 88% of LINKS riders use the service daily.
5. Half of the riders use BART prior to getting on LINKS.
6. This year more riders (26%) walk from home to catch LINKS. This tells us that more residents are using the shuttle.
7. If LINKS were not available, 23% would drive alone proving that LINKS significantly reduces single occupancy vehicle trips. This is a key finding making our grant applications stronger.
8. Overall satisfaction with the service increased with 90% of riders rating the service good to excellent.
9. Satisfaction with the schedule improved significantly moving from a 64% good to excellent rating to 81%. The improvement is most likely a result of the expanded service, more frequent buses and shorter travel time.
10. Rider comments included “Great Service”, “Drivers are always so kind” and “Thank you!”

The survey results suggest that riders continued to be very satisfied with LINKS. Although the survey findings were not specific, the feedback also suggested adding another route, adding evening hours if funds permitted, providing a published schedule or GPS bus tacking and allowing drivers to drop/pickup regular riders between stops.

LINKS Budget

Funding for LINKS comes from the BID, grants, the City of San Leandro, partnerships and advertising. The BID funds approximately one-half of the LINKS service.

In FY 2016-17 the SLTMO will apply for a two-year TFCA grant totaling \$76,000. In October 2016, the SLTMO submitted an Alameda County Transportation Commission Measure BB application with could provide \$1.7 million over the next five years. It was originally

anticipated that the Measure BB funds would be available for FY 2016-17 but Alameda County Transportation Commission pushed the funding out to 2017-18.

The agreement with Kaiser Permanente to run the Kaiser Shuttle and TDM program for the new Kaiser Permanente San Leandro Medical Center was modified this year. The SLTMO is now providing Kaiser Shuttle services only. In 2015 the SLTMO entered into a new agreement with Marina Square to advertise on the LINKS buses.

The SLTMO continues to pursue a variety of grant funding, however, grant funding is unpredictable. For example, the current Lifeline Cycle 3 grant (\$185,000/yr.) expires this year. LINKS is not eligible to apply for Cycle 4 funds because the funding priority has been diverted to large fixed route providers. In addition, grant funds are drawn on a reimbursement basis and can only be drawn as a percentage of the total expense for the reporting period. The reimbursement process creates a cash flow problem making it necessary to have a strong reserve balance at all times. If approved, the Measure BB grant application will stabilize funding for five years, fill the gap created by the loss of the Lifeline grant, alleviate the cash flow and allow for improvements such as adding GPS bus tracking to the service.

The LINKS budget can be found in Exhibit C.

Planned Operations

LINKS will continue to provide free transportation for employees to the industrial area of west San Leandro. Following is a list of priority initiatives for the coming year:

LINKS Service - Continue to work with the transportation provider to maintain on-time performance and enhance the LINKS rider experience.

Outreach - Outreach to employers and employees to educate and promote LINKS ridership.

Revenue Diversification – Continue to diversify revenue sources by maintaining current contracts with Kaiser Permanente (Shuttle Service) and Marina Square (advertising) and seek other revenue generating opportunities.

Grants - Aggressively seek grant and other funding opportunities. The SLTMO has applied for a five-year, \$1.7 million Measure BB grant which will stabilize funding and allow technology improvements. The Board will continue to work with the City of San Leandro and Alameda County Transportation Commission to secure this critical funding.

Shuttle Stops at BART – BART has started to work with stakeholders to develop BART Curb Use Guidelines determining how shuttle stops and curb space will be allocated. The SLTMO will participate in this process to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.

Shuttle Improvements – As funding becomes available, the SLTMO is committed to installing GPS based tracking to provide real time bus location information for riders.

Business Improvement District Authorization

The BID is a levied benefit assessment on businesses within the BID Area, the proceeds of which shall be used for the public purposes benefits the businesses in the BID, pursuant to the Parking and Business Improvement Area Law of 1989 Section 36500 et seq. of Division 18 of the California Streets and Highways Code. All of the assessments imposed by the BID Ordinance shall be reviewed by the City Council annually based upon the annual report prepared by the advisory board appointed pursuant to Sections 36530 and 36533 of the California Streets and Highways Code. Pursuant to Section 36533(c), the City Council may approve the report as filed by the advisory board or may modify any particular contained in the report and approve it as modified.

The ordinance defines the boundaries of the BID, the amount of the annual assessment, the approved use of the assessment funds, and the effective period of the assessment. The Ordinance requires that an Advisory Board annually review the performance of LINKS for submission to the City Council. In addition, the Ordinance provides that the City Council may increase the annual assessment in an amount not to exceed the increase of the Consumer Price Index (San Francisco, Oakland, San Jose), as part of its review of the annual report.

Annual BID Rate Recommendation – 2016 Business Improvement District Assessment

Proactive measures taken to generate new revenue and secure grants have helped to stabilize funding for LINKS. The cash flow gap resulting from the grant reimbursement process will continue to pose a challenge for LINKS. If approved, the Measure BB grant will help to further stabilize LINKS funding but must be reauthorized every two years. In order to ensure that funding for LINKS stays current with operating costs, it is recommended that the BID rate be adjusted by the Consumer Price Index.

Per the approved Ordinance, the BID may be increased annually by the Consumer Price Index (CPI). For FY 2016-17 the applicable CPI factor is 3.0 percent. This would result in the BID per employee rate increasing from \$21.55 to \$22.20. Businesses with three or fewer owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment.

With respect to the BID assessment for FY 2017, the Advisory Board recommends that the San Leandro City Council adopt a BID assessment which is adjusted by the applicable Consumer Price Index (CPI), 3.0 percent.

EXHIBIT A – Ridership Statistics

EXHIBIT B – Brochure

EXHIBIT C – Budget

EXHIBIT A

Ridership Statistics

LINKS Ridership in Fiscal Years

*Expanded Service Started in March 2015

Fiscal Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	*Mar	Apr	May	Jun	Total	Avg/Mo	Avg/Day
FY02	7,879	8,740	10,452	12,562	10,721	8,826	3,460	3,543	6,186	7,687	7,649	7,253	35,778	5,963	275
FY03	7,629	7,418	9,028	9,033	7,248	7,853	9,243	7,554	8,499	8,967	8,682	7,744	109,869	9,156	423
FY04	8,664	9,213	11,373	10,505	11,216	10,265	11,890	13,361	14,841	12,007	12,443	12,659	121,721	10,143	468
FY05	12,178	13,927	13,625	14,254	14,320	14,649	14,782	14,478	15,485	14,394	14,948	14,718	146,032	12,169	562
FY06	13,439	17,047	16,781	19,735	17,925	18,357	18,096	16,252	17,310	17,583	19,227	17,938	173,509	14,459	667
FT08	14,038	12,550	12,125	14,554	13,121	11,979	11,656	10,895	14,539	14,719	14,115	15,839	160,130	13,344	616
FY09	17,115	13,720	13,021	14,554	10,904	11,532	10,553	10,197	10,903	10,703	10,400	11,464	145,066	12,089	558
FY10	11,569	10,884	11,942	13,229	11,549	10,465	9,417	11,445	13,125	13,229	12,014	13,639	142,507	11,876	548
FY11	12,893	13,707	16,483	19,525	18,861	16,108	13,836	11,643	16,472	14,032	11,640	12,445	177,645	14,804	683
FY12	12,529	12,307	13,051	17,047	15,763	17,378	15,678	15,993	17,556	17,850	20,072	18,346	193,570	16,131	745
FY13	19,499	17,334	15,915	16,896	15,689	14,913	17,253	14,551	15,331	16,537	15,088	12,640	191,646	15,971	737
FY14	12,252	13,383	13,379	14,516	13,557	12,854	14,564	13,404	14,336	15,485	13,129	14,250	165,109	13,759	637
FY15	13,619	13,072	14,341	16,753	13,677	14,796	14,026	12,804	11,142	17,189	15,553	16,245	173,217	14,435	674
FY16	16,080	14,646	16,037	18,015	14,685	15,005	15,107	17,309	18,717	17,548	18,144	18,383	199,676	16,640	777
FY17	16,272	18,573	19,117										53,962	17,987	818

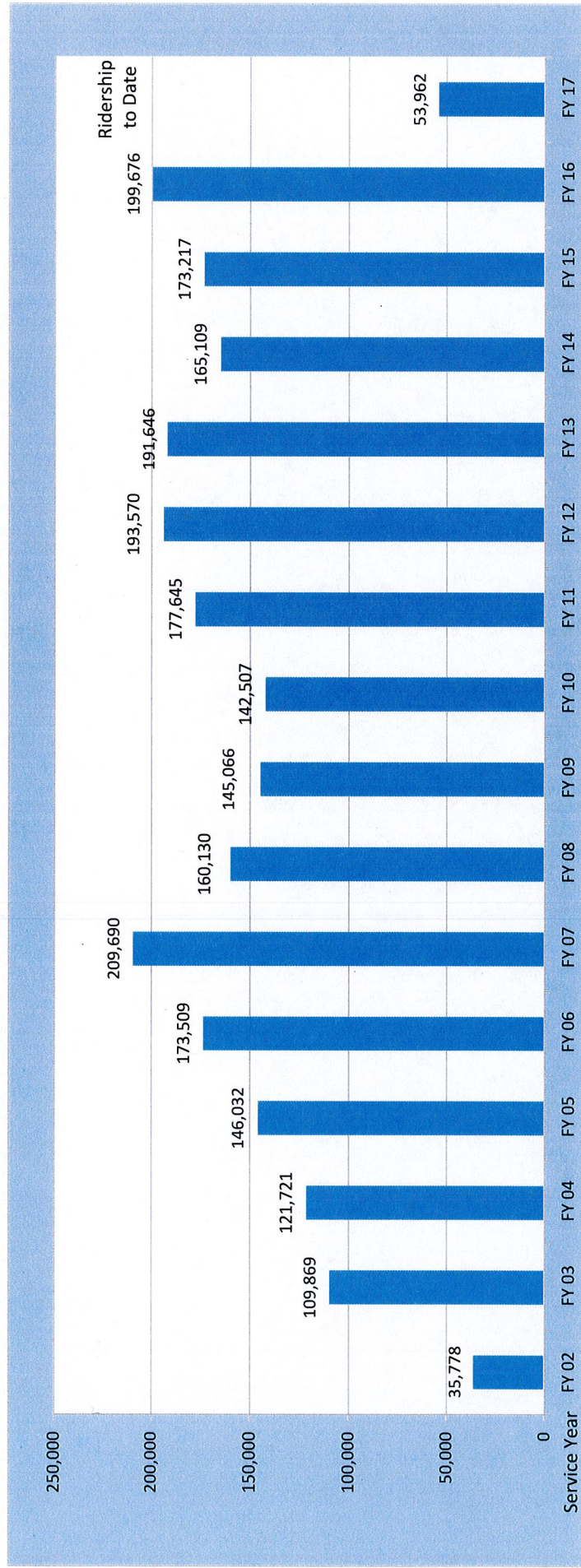


EXHIBIT B
Brochure

SHUTTLE STOPS

NORTH LOOP

EVERY **(15)** MINUTES

- 1A** FIRST STOP - BART
- B** MARINA @ ALVARADO
- C** MARINA @ TEAGARDEN
- D** MERCED @ MARINA
- E** WILLIAMS @ WESTGATE
- F** WILLIAMS @ 21ST AMENDMENT BREWERY
- G** WILLIAMS @ DOOLITTLE
- H** DOOLITTLE @ POLVOROSA
- I** DAVIS @ DOOLITTLE
- J** DAVIS @ TIMOTHY (WESTGATE)
- K** DAVIS @ PIERCE
- L** DAVIS @ ORCHARD (THRASHER PARK)

SOUTH LOOP

EVERY **(20)** MINUTES

- 1A** FIRST STOP - BART
- 2** ALVARADO @ MARINA
- 3** ALVARADO @ MONTAGUE
- 4** ALVARADO @ TEAGARDEN
- 5** TEAGARDEN BEFORE ALADDIN
- 6** FAIRWAY @ MILLER (KAISER)
- 7** MERCED @ FAIRWAY
- 8** WICKS @ BURROUGHS
- 9** WICKS @ PIKE
- 10** WICKS @ FARALLON
- 11** FARALLON BEFORE GRIFFITH
- 12** FARALLON @ CATALINA
- 13** DOOLITTLE @ BERMUDA
- 14** DOOLITTLE @ FAIRWAY
- 15** DOOLITTLE @ MARINA
- 16** MARINA @ VERNA COURT
- 17** MARINA @ TEAGARDEN (MARINA SQUARE)
- 18** ALVARADO @ MARINA

◦ TWO ROUTES:

(Two Routes to San Leandro's West Industrial Area)

BLUE = NORTH + **GREEN = SOUTH**

NORTH LOOP

◦ EVERY **(15)** MINUTES

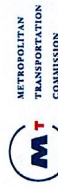
SOUTH LOOP

◦ EVERY **(20)** MINUTES

◦ **MONDAY - FRIDAY**
(except National holidays)

◦ **MORNINGS: 5:45AM - 9:45AM**
(last morning bus leaves BART at 9:45AM)

◦ **EVENINGS: 3:00PM - 7:00PM**
(last evening bus leaves BART at 7:00PM)



san leandro LINKS

FREE SHUTTLE



WWW.SANLEANDROLINKS.COM

WWW.SANLEANDROLINKS.COM



NORTH LOOP

SOUTH LOOP

SHARED ROUTE

EXHIBIT C

Budget

EXHIBIT C - LINKS BUDGET	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Income:	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget
TFCA Grant		66,605	47,500		45,000	7,500	42,500	39,000
Lifeline Grant* Cycle 2	96,602	72,681	62,458	108,673				
Lifeline Grant Cycle 3 (\$185,000/yr)						332,250	38,750	
Measure BB Grant								246,000
Business Improvement District	123,356	131,210	128,423	141,957	334,259	326,475	324,000	348,000
Kaiser Shuttle & TDM Mgmt				81,165	434,831	444,549	530,000	519,363
Other - Shuttle Services, Advertising				2,545	8,121	4,375	10,000	6,000
Interest	231	318	-22	210	468	1,293		
RDA/City Contribution	50,000	50,000			50,000	95,000	75,000	50,000
Total Income:	270,189	320,814	238,359	334,550	872,679	1,211,442	1,020,250	1,208,363
Expenses:								
LINKS Shuttle - Transportation	266,083	237,796	232,317	222,486	330,677	430,221	563,000	579,763
Kaiser Shuttle - Transportation				32,405	348,602	314,756	451,000	451,000
Executive Director	24,000	22,000	22,000	36,200	40,000			
Galvan/Transit Strategies			9,537	47,635	73,269			
Consulting Services - SLTMO Admin						95,048	66,000	54,000
Consulting (Audit and Rider Survey)	5,000			34,066	6,861		10,000	10,000
Marketing, Advertising, and Misc.	324		2,917	5,391	15,105	2,624	5,000	5,000
Insurance, Tax Return, Bank Charges, Non-Profit Fees	1,795	2,265	922	1,179	1,337	3,687	5,000	5,000
City Administration/Accounting	3,500							
Improvements/Technology								30,000
Total Expenses:	300,702	262,061	267,693	379,362	815,851	846,336	1,100,000	1,134,763
Net Income	-30,513	58,753	-29,334	-44,812	56,828	365,106	-79,750	73,600
Year End Balance	49,348	108,101	60,609	15,797	72,625	437,731	357,981	431,581
Adjustment: Prior Year End Closing		-18,158						
Adjusted Year End Balance		89,943	60,609	15,797	72,625	437,731	357,981	431,581

