

**ANNUAL REPORT OF THE
WEST SAN LEANDRO SHUTTLE
BUSINESS IMPROVEMENT DISTRICT
FOR FISCAL YEAR 2015-16**



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Executive Summary & Recommendation

The Annual Report includes a brief history of LINKS and the West San Leandro Business Improvement District (BID), ridership statistics, it's current and planned operations, the LINKS budget and the proposed BID assessment for FY 2015-16. Following is a summary:

1. LINKS Service - Continue to work with the transportation provider to address service issues, maintain on-time performance and enhance the LINKS rider experience.
2. Outreach - Outreach to employers and employees to educate and promote LINKS ridership.
3. Kaiser Contract - Refine and enhance the Transit Demand Management (TDM) and shuttle services provided to Kaiser Permanente.
4. Grants - Aggressively seek grant and other funding opportunities.
5. Rider Survey - Conduct a new rider survey to better understand rider needs, meet grant requirements and guide program planning.
6. Shuttle Improvements – As funding becomes available, the SLTMO is committed to aggressively pursuing technology upgrades such as onboard Wi-Fi and GPS and a related smart-phone application to help riders track the shuttles.
7. BID Rate - Increase the BID per employee assessment rate equal to the Consumer Price Index (CPI) in FY 2015-16 as provided for in Ordinance No. 2009-002. For FY 2015-16 the CPI factor is 2.6 percent. This would result in the BID per employee rate increasing from \$21.00 to \$21.55. Businesses with three or fewer owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment.

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 Downtown San Leandro BART station, the industrial area west of I-880, and the Marina Blvd. corridor.

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 flat fee of \$21.00 per employee. The new fee structure was 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.

In addition to making LINKS more efficient and accessible, participation in the BID also helps businesses comply with the new 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.

Current LINKS Operation

The updated LINKS shuttle service provides free shuttle transportation from the Downtown San Leandro main 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). Two shuttle buses were added to the service resulting in a total of four buses, two on each 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 "first and last mile" connection between transit and employers in West San Leandro, serving major employers including Coca Cola Bottling Company, Federal Express, Walmart, 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 and the Davis Street Family Resource Center which service 10,000 low-income people each year.

LINKS Shuttle Ridership

The updated LINKS service started in mid - March 2015. Ridership for the "old" LINKS service (July – March), averaged 14,435 rides per month with an average of 674 rides per day.

Ridership for the new service (April – June 2015) averaged 16,329 rides per month and 742 rides per day. It is anticipated that LINKS will eventually serve 1,000 riders per day.

Over the last year, LINKS experienced ongoing impacts related to prolonged and extensive construction along the LINKS route. Construction impacts combined with the new service changes impacted on-time performance throughout the year. LINKS riders have persevered through the new service hiccups and construction delays.

Marketing and Outreach

Over the 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.

Rider Survey

Due to the BID reauthorization process, a survey was not conducted. Now that the service has been implemented and construction impacts are starting to wrap up, a new rider survey is planned for the coming year.

Following are a few highlights from the 2013 Rider Survey:

1. Three-quarters of the 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 79% say that it would be a financial hardship if LINKS were not available.
4. 80% rate the service good to excellent. While satisfaction was very high, it was higher in 2010 when 90% said the shuttle was good to excellent.
5. Based on comments, it appeared that the small drop in satisfaction was related to the long shuttle loop time.
6. The most common suggestion was, “Just keep the service running.”

The survey results suggested that LINKS riders continued to be very satisfied with LINKS. Although the survey findings were not specific, the feedback also suggested a review of the LINKS route and schedule. This feedback led the SLTMO to undertake the service enhancements which were implemented in FY 2014-15.

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 address service issues, maintain on-time performance and enhance the LINKS rider experience.

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

Kaiser Contract - Refine and enhance the Transit Demand Management (TDM) and shuttle services provided to Kaiser Permanente.

Grants - Aggressively seek grant and other funding opportunities.

Rider Survey - Conduct a new rider survey to better understand rider needs, meet grant requirements and guide program planning.

Shuttle Improvements – As funding becomes available, the SLTMO is committed to aggressively pursuing technology upgrades such as onboard Wi-Fi and GPS and a related smart-phone application to help riders track the shuttles.

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. Over 30% of the budget is funded by grants. In 2015, the SLTMO was awarded a two-year Lifeline Cycle 3 grant totaling \$370,000. Two major grant applications are pending. The SLTMO applied for a two-year TFCA grant totaling \$74,000 and an Alameda County Transportation Commission Measure BB application which could provide one million dollars over the next five years.

The agreement with Kaiser Permanente to run the Kaiser Shuttle and TDM program for the new Kaiser Permanente San Leandro Medical Center continues to provide additional funding to the SLTMO. In an effort to further diversify funding, in 2015 the SLTMO entered into an 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 will expire in two years. 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 reimbursements 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.

The LINKS budget can be found in Exhibit C.

Business Improvement District Overview

In December 2015, the BID was re-established for a fifteen year period, as previously explained in this report. 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 reports 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.

As part of the BID process, the City Council has appointed two City staff designees and three to five business representatives to serve on the West San Leandro Shuttle Business Improvement District Advisory Board (Advisory Board) to review the performance of the LINKS, the specific program supported by the West San Leandro Shuttle Business Improvement District.

The five to seven member Advisory Board appointed by the San Leandro City Council includes the City's Engineering and Transportation Director and the Director of Finance (or their designees). The business members appointed to the Advisory Board are Dora Wong of Coca Cola Bottling Company, Geza Paulovitz, Eric Anderson, Alexandra Vasquez, Peterson Companies, Mike Adelson, Mr. Plastics and Steve Magidson, Docustream. The Advisory Board's duties include review of the LINKS performance and budget, and a recommendation for BID assessment 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. 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 2015-16 the CPI factor is 2.6 percent. This would result in the BID per employee rate increasing from \$21.00 to \$21.55. 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 2016, the Advisory Board recommends that the San Leandro City Council adopt a BID assessment which is adjusted by the Consumer Price Index (CPI), 2.6 percent.

EXHIBIT A – Ridership Statistics

EXHIBIT B – Brochure

EXHIBIT C – Budget

EXHIBIT A

Ridership Statistics

EXHIBIT A - LINKS Ridership in Fiscal Years

*Expanded Service Started in March

Fiscal Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	*Mar	Apr	May	Jun	Total	Avg/Mo	Avg/Day
FY02							3,460	3,543	6,186	7,687	7,649	7,253	35,778	5,963	275
FY03	7,879	8,740	10,452	12,562	10,721	8,826	9,243	7,554	8,499	8,967	8,682	7,744	109,869	9,156	423
FY04	7,629	7,418	9,028	9,033	7,248	7,853	9,339	12,223	14,841	12,007	12,443	12,659	121,721	10,143	468
FY05	8,664	9,213	11,373	10,505	11,216	10,265	11,890	13,361	15,485	14,394	14,948	14,718	146,032	12,169	562
FY06	12,178	13,927	13,625	14,254	14,320	14,649	14,782	14,478	16,307	15,324	14,984	14,681	173,509	14,459	667
FY07	13,439	17,047	16,781	19,735	17,925	18,357	18,096	16,252	17,310	17,583	19,227	17,938	209,690	17,474	807
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
FY 14	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
FY 15	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
April - June Ridership:												48,987	16,329	742	

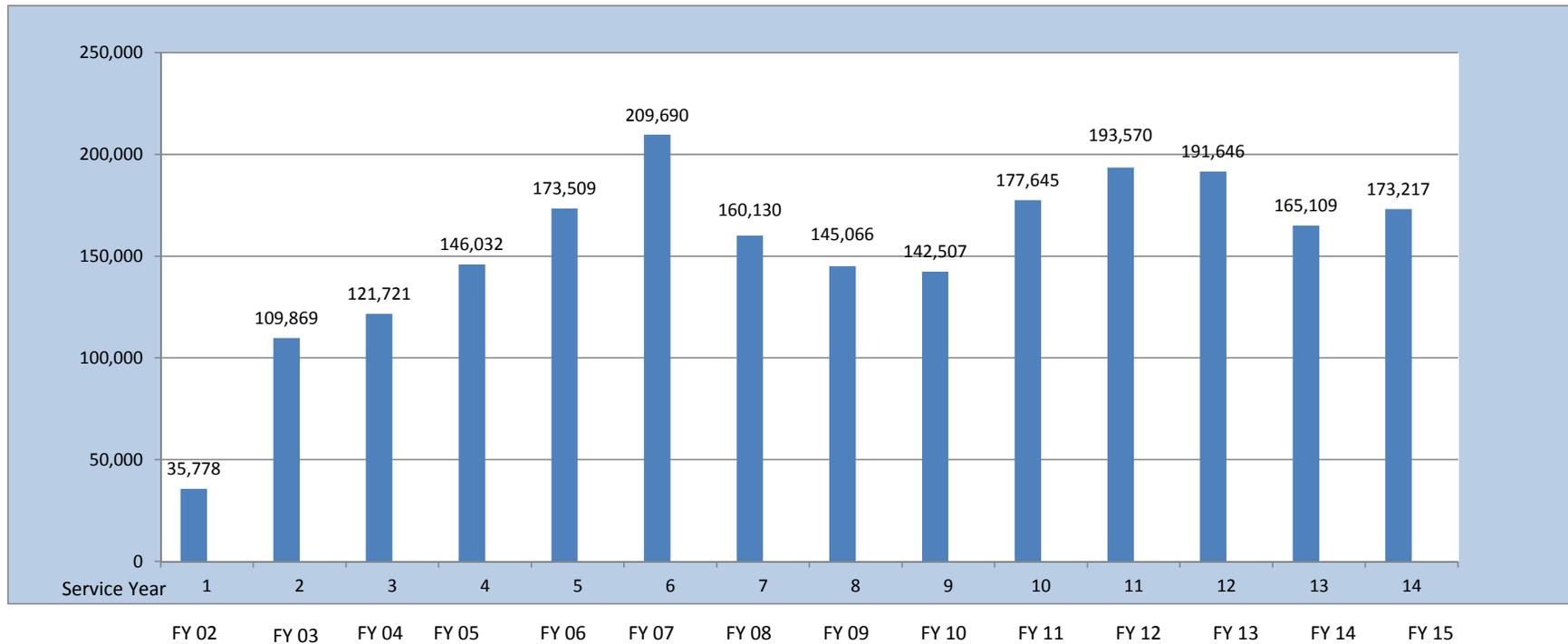


EXHIBIT B
Brochure

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



san leandro LINKS

◦ 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)



WWW.SANLEANDROLINKS.COM

FREE SHUTTLE



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
	Actual	Actual	Actual	Actual	Actual	Budget (3)	Budget
Income:					(6)		
TFCA Grant (4)		66,605	47,500		45,000	15,000	15,000
Lifeline Grant* Cycle 2	96,602	72,681	62,458	108,673			
Lifeline Grant Cycle 3 (\$336,000) (1)						185,500	185,000
Business Improvement District (2)	123,356	131,210	128,423	141,957	334,259	300,000	324,000
Kaiser Shuttle & TDM Mgmt (5)				81,165	434,831	513,000	513,000
Other - Shuttle Services, Advertising				2,545	8,121		
Interest	231	318	-22	210	468	10,000	10,000
RDA/City Contribution	50,000	50,000			50,000	75,000	75,000
Total Income:	270,189	320,814	238,359	334,550	872,679	1,098,500	1,122,000
Expenses:							
LINKS Shuttle - Transportation	266,083	237,796	232,317	222,486	330,677	555,000	563,000
Kaiser Shuttle - Transportation				32,405	348,602	369,000	369,000
Executive Director	24,000	22,000	22,000	36,200	40,000		
SLTMO Staff/Consulting Services			9,537	47,635	73,269		
Consulting (Audit and Rider Survey)	5,000			34,066	6,861	10,000	10,000
Consulting Services - SLTMO Admin						126,000	126,000
Marketing, Advertising, and Misc.	324		2,917	5,391	15,105	5,000	5,000
Insurance, Tax Return, Bank Charges, Non-Profit Fees	1,795	2,265	922	1,179	1,337	5,000	5,000
City Administration/Accounting	3,500					5,000	5,000
Improvements/Technology						30,000	30,000
Total Expenses:	300,702	262,061	267,693	379,362	815,851	1,105,000	1,113,000
Net Income	-30,513	58,753	-29,334	-44,812	56,828	-6,500	9,000
Year End Balance	49,348	108,101	60,609	15,797	72,625	66,125	75,125
Adjustment: Prior Year End Closing		-18,158					
Adjusted Year End Balance		89,943	60,609	15,797	72,625	66,125	75,125

(1) Transportation est. based on new contract (Year 1 -2015: \$59.73/hr, 2295 hours w/ 4 buses; Year 2 - 2016 \$61.33. 2.6% increase.)							
(2) BID Estimate - \$21.55/employee (2.6% CPI increase to BID rate)							
(3) Lifeline Cycle 3 Grant = \$371,000 (\$185,500 per year for two-years)							
(4) Two-year \$30,000 grant (FY 2015 & FY 2016).							
(5) Kaiser revenue includes direct costs and \$11,947 administration charge.							
(6) New service started in March 2015. Costs increase because added two buses.							
Note: New BID runs on calendar year (old BID ran on a fiscal year basis.) Transportation contract also runs on calendar year.							