



City of San Leandro

Meeting Date: December 4, 2017

Staff Report

File Number: 17-648 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.H.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Cynthia Battenberg
Community Development Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution to Accept the Annual Report of the West San Leandro Shuttle Business Improvement District (BID) for Fiscal Year 2017-18 and Directing the City Manager to Impose the BID Assessment Rates Increased by the Consumer Price Index (CPI)

RECOMMENDATIONS

Staff recommends that the City Council adopt a Resolution to accept the Annual Report of the West San Leandro Shuttle Business Improvement District (BID) for Fiscal Year 2017-18 and direct the City Manager to impose the BID assessment at the increased rates, as recommended by the BID Advisory Board.

BACKGROUND

Business Improvement District and Annual Report

In December 2014, the City Council approved Ordinance No. 2014-023 expanding the BID service area and re-establishing the West San Leandro Business Improvement District (BID) for a period of 15-years. The BID provides funding for the LINKS Shuttle service, which is administered by the San Leandro Transportation Management Organization (SLTMO). BID fees are collected through the City's business license process.

One requirement of the BID is the creation of an Advisory Board to annually review the performance of LINKS for submission to the City Council. The five to seven-member Advisory Board 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, Kristin Anderson of Eric F. Anderson, Inc., Alexandra Vasquez of Peterson Companies, Mike Adelson of Mr. Plastics and Steve Magidson of DocuStream. The Advisory Board's duties include review of the LINKS performance and budget, and a recommendation for the BID assessment rate. The City Council may increase the annual assessment in an amount not to exceed the increase in the Consumer Price Index (San

Francisco, Oakland, San Jose), as part of its review of the annual report.

On November 13, 2017, the Advisory Board met to complete the annual review of the LINKS Shuttle. The FY 2017-18 Annual Report is attached to the Resolution.

Analysis

The Annual Report includes a review of the LINKS shuttle's performance, planned operations, budget, and a recommendation for the 2018 BID assessment. Following is a summary of the Annual Report.

Current Operations

The free LINKS shuttle operates Monday - Friday during peak commute hours (5:45 - 9:45 am and 3:00 - 7:00 pm). LINKS provides critical "first and last mile" connection between BART and employers in West San Leandro, serving major employers including Coca Cola Bottling Company, Federal Express, Walmart, and Costco, as well as small employers. There are over 600 employers and almost 17,000 employees in the LINKS service area, which is defined as the area within a quarter mile of the shuttle route. LINKS also provides transportation to retail centers and the Davis Street Family Resource Center, which services 10,000 low-income people each year.

Participation in the BID helps businesses comply with the Bay Area Air Quality Management District (BAAQMD) Commuter Benefits program. In 2014, the BAAQMD implemented the 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 requirements, allowing businesses to save time and money when compared to creating their own in-house program.

A new rider survey was conducted in 2016. The survey showed significant improvement in rider satisfaction, which is most likely due to the expanded service. Overall satisfaction with the service increased with 90% of riders rating the service good to excellent. Schedule satisfaction improved significantly moving from a 64% good to excellent rating to 81%. If LINKS were not available, 23% of the LINKS riders surveyed indicated that they would drive alone demonstrating that LINKS significantly reduces single occupancy vehicle trips. Rider comments included "Great Service, "Drivers are always so kind" and "Thank you!"

LINKS Shuttle Ridership

The expanded LINKS service started in March 2015. The updated 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. Ridership for the "old" LINKS service averaged 165,000 rides per year with an average of 674 rides per day. In 2016-17 LINKS provided 205,000 rides and averaged 800 rides per day. Staff and the SLTMO anticipate that

ridership will continue to trend upward.

Budget

The BID funds approximately one-half of the cost of the LINKS service. Grants make up the next largest funding source which requires the SLTMO to actively pursue grants on an on-going basis. The City of San Leandro contributes \$50,000 annually under the current budget. Partnerships and advertising also generate a small amount of revenue. A summary of the FY 2017-19 LINKS budget is below. Exhibit C contains details regarding the LINKS budget since FY 2010-11.

	FY 2017-18 Budget	FY 2018-19 Budget
Revenue:		
BID	\$376,000	\$387,000
Grants	265,443	265,000
City of San Leandro	50,000	50,000
Kaiser	513,000	513,000
Other	<u>71,000</u>	<u>71,000</u>
	1,275,443	1,286,000
Expenses:		
LINKS Shuttle	580,000	590,000
Kaiser Shuttle	446,000	446,000
Consulting - Admin	62,000	62,000
Consulting - Survey	510,000	10,000
Advertising	5,000	5,000
Improvements/Nextbus	<u>48,340</u>	<u>6,000</u>
	1,156,340	1,124,000
 Net Income/(loss)	 \$119,103	 \$162,000

Over the last year, the SLTMO applied for the following grants:

- Transportation Fund for Clean Air (TFCA) Grant - Received \$79,905 (two-year grant)
- TFCA BAAQMD Grant - Determined not eligible
- Lifeline Cycle 3 Supplemental Grant - Received \$265,443 (one-year grant)
- Measure BB Five Year Grant - Received \$1.02M (five-year grant)

The first-year funding for the Measure BB grant was later eliminated as a result of receiving the \$265,443 Lifeline Grant allocation. But overall, the Measure BB grant stabilized the LINKS funding for the next five years adding significant financial security to the shuttle program.

Grant funds are unpredictable and, because they are drawn on a reimbursement basis, create cash flow issues that make it necessary to have a strong reserve balance at all times.

The SLTMO, which manages the LINKS, also manages an agreement with Kaiser Permanente to

run the Kaiser Shuttle service. This agreement runs through August 2018 and assists in funding the administration of the SLTMO.

The SLTMO has an agreement with Marina Square to advertise on the LINKS buses. The current agreement runs through December 2017. It is anticipated that Marina Square will renew the contract and continue to advertise on the LINKS buses.

Planned Operations 2017-18

In FY 2015-16, the SLTMO focused on getting the new service up and running smoothly and updating the LINKS branding. SLTMO launched a new marketing campaign including a new logo, brochure, shuttle stop signs, and website. The 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. The LINKS brochure was also translated into Chinese and Spanish.

In FY 2016-17, the SLTMO focused on stabilizing the LINKS budget by applying for grants and renewing service contracts with Kaiser Permanente and Marina Square Shopping Center. The five-year \$1.02M Measure BB grant helped to stabilize funding for the next several years.

With secure funding sources, the focus of FY 2017-18 will be to further enhance the service through the installation of Nextbus technology followed by outreach to employers. The Nextbus service will provide real time arrival and departure information to riders through the Nextbus mobile app. The SLTMO has contracted with Nextbus and implementation is under way.

2018 BID Recommendation

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. The five-year Measure BB grant has further stabilized 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 2017-18 the applicable CPI factor is 3.0 percent. This would result in the BID per employee rate increasing from \$22.20 to \$22.87. Businesses with three or fewer owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment.

After reviewing the Annual Report, the BID Advisory Board made the following recommendations:

1. **BID Rate** - Increase the BID per owner/employee assessment rate equal to the increase in the Consumer Price Index (CPI) in 2017 as provided for in Ordinance No. 2014-023. For 2018 the applicable CPI factor is 3 percent. Businesses with three or fewer

owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment.

2. LINKS Service - Continue to work with the transportation provider to maintain on-time performance and enhance the LINKS rider experience.
3. Outreach - Outreach to employers and employees to educate and promote LINKS ridership.
4. 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.
5. Grants - Aggressively seek grant and other funding opportunities. The Board will continue to work with the City of San Leandro and Alameda County Transportation Commission to secure this critical funding.
6. Shuttle Stops at BART - Last year, BART started to work with stakeholders to develop BART Curb Use Guidelines to determine how shuttle stops and curb space should be allocated. The SLTMO will continue to work with BART to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.
7. Shuttle Improvements - Install Nextbus technology on all LINKS buses to provide real time arrival and departure information through a mobile application. As funding becomes available, the SLTMO is committed to updating the service and enhancing the rider experience.

Current Agency Policies

- Ordinance No. 2004-013, adopted June 21, 2004, amending Title 2 of the San Leandro Municipal Code to add a new Chapter 15 establishing the West San Leandro Business Improvement District
- Resolution No. 2004-153, adopted October 4, 2004, forming the West San Leandro Shuttle Business Improvement District Advisory Board
- Ordinance No. 2004-021, adopted October 18, 2004, specifying the time and manner of collecting the West San Leandro Shuttle BID assessments
- Resolution No. 2008-130, adopted October 20, 2008, amending Resolution No. 2004-153, modifying the membership of the West San Leandro Shuttle Business Improvement District Advisory Board
- Resolution No. 2009-014, adopted February 2, 2009, approving a Resolution of Intention to re-form the West San Leandro Shuttle Business Improvement District
- Ordinance No. 2009-002, adopted April 6, 2009, amending Title 2 of the San Leandro Municipal Code to add a new Chapter 15 re-establishing the West San Leandro Business Improvement District
- Resolution No. 2010-008 RDA, adopted September 20, 2010, the Redevelopment Agency of the City of San Leandro 2010-2014 Implementation Plan. The West San Leandro-MacArthur Boulevard Project Area identifies the maintenance of LINKS as

Economic Development Priority Program

- Ordinance No. 2014-023 re-establishing the West San Leandro Business Improvement District for a period of fifteen years.

Applicable General Plan Policies

Goal 15.03 of the General Plan specifically encourages the use of shuttle buses as a viable alternative to driving and Action 15.03-A urges continuation of public/private partnerships to provide shuttle services and the pursuit of grant funding opportunities for such activities

ATTACHMENT to Resolution

San Leandro Transportation Management Organization Annual Report

PREPARED BY:

Lars Halle, Development Coordinator



City of San Leandro

Meeting Date: December 4, 2017

Resolution - Council

File Number: 17-649 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Cynthia Battenberg
Community Development Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: RESOLUTION to Accept the Annual Report of the West San Leandro Shuttle Business Improvement District (BID) Fiscal Year 2017-18 and Directing the City Manager to Impose the BID Assessment Rates Increased by the Consumer Price Index (CPI)

WHEREAS, by Ordinance No. 2014-023, adopted December 1, 2014, the City Council of the City of San Leandro established a Business Improvement Area known as the West San Leandro Shuttle Business Improvement District (the "BID") to levy a benefit assessment on businesses within the BID, the proceeds of which shall be used for the public purposes therein described to benefit 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 (the "Act"); and

WHEREAS, as required by the Act, the City Council established an Advisory Board to prepare and submit an annual report on assessments levied and collected to pay the costs of the improvements and activities of the BID; and

WHEREAS, the Advisory Board met and reviewed the activities of the BID and the proposed assessment for the Calendar Year 2018; and

WHEREAS, the Advisory Board caused the preparation of the Annual Report of the West San Leandro Shuttle Business Improvement District Fiscal Year 2017-18, a copy of which is attached, and hereby presents same to this Council; and

WHEREAS, the Council is familiar with the contents thereof; and

WHEREAS, the City Manager recommends acceptance of said Annual Report which includes a recommendation to increase the BID fee rate equal to the increase in the Consumer Price Index (CPI) which is equivalent to three percent.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That said Annual Report is hereby accepted and the City Manager is hereby directed to

impose the BID Assessment with an increase to the BID per owner/employee assessment rate by the CPI factor of three percent to \$22.87 per owner/employee for businesses in the BID Area. Businesses with three or fewer owner/employees, landlords, and non-profits will continue to be exempt from the BID assessment, as recommended by the Advisory Board.

**ANNUAL REPORT OF THE
WEST SAN LEANDRO SHUTTLE
BUSINESS IMPROVEMENT DISTRICT
FOR FISCAL YEAR 2017-18**



**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, it's current and planned operations, the LINKS budget and the proposed BID assessment for FY 2017-18.

The LINKS Shuttle service is administered by the San Leandro Transportation Management Organization (SLTMO). The free shuttle 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 north and south loops shorten headways to 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. The service now provides 205,000 rides per year with an average of 800 rides per day.

In FY 2015-16, the SLTMO focused on getting the new service up and running smoothly and updating the LINKS branding with new signage, brochure and website. Bus benches and new signs were installed.

In FY 2016-17, the SLTMO focused on stabilizing the LINKS funding by applying for grants and renewing service contracts with Kaiser Permanente and Marina Square Shopping Center. LINKS received a five year \$1.02 M Measure BB grant which stabilizes funding for the next several years.

With secure funding sources, the focus of FY 2017-18 will be to further enhance the service through the installation of Nextbus technology followed by outreach to employers. The SLTMO has contracted with Nextbus to provide real time arrival and departure information to riders through the Nextbus mobile app.

Following is a summary of priority activities for FY 2017-18:

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 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 – Last year, BART started to work with stakeholders to develop BART Curb Use Guidelines determining how shuttle stops and curb space will be allocated. The SLTMO will continue to work with BART to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.

Shuttle Improvements – Install Nextbus technology on all LINKS buses to provide real time arrival and departure information through a mobile application. As funding becomes available, the SLTMO is committed to updating the service and enhancing the rider experience.

BID Rate Recommendation

Increase the BID per employee assessment rate equal to the increase in the Consumer Price Index (CPI) in 2017 as provided for in Ordinance No. 2009-002. For FY 2018 the applicable CPI factor is 3.0 percent. This would result in the BID per employee rate increasing from \$22.20 to \$22.87. 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 to 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 2015, the Business Improvement District was re-authorized for 15-years and the LINKS service area was expanded. BID fees are collected through the City's business license process and the BID funds approximately half of the LINKS service.

When the BID was renewed, the service was expanded providing more frequent service with shorter wait times, shorter round-trip rides and connections to businesses that previously could not access LINKS.

Current LINKS Operation

The LINKS Shuttle 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 operates 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.

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 Shopping Center and community services such as Davis Street Family Resource Center which serves 10,000 low-income people each year.

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 requirements, allowing businesses to save time and money.

Last year, BART 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.

LINKS Shuttle Ridership

The updated LINKS service started in March 2015. Ridership for the “old” LINKS service averaged 165,000 rides per year with an average of 674 rides per day. In 2016-17 LINKS provided 205,000 rides and averaged 800 rides per day.

Rider Survey

The SLTMO conducts a rider survey on a regular basis. The last survey was conducted in August 2016. 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. 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.
6. Overall satisfaction with the service increased with 90% of riders rating the service good to excellent.
7. 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.
8. Rider comments included “Great Service”, “Drivers are always so kind” and “Thank you!”

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 the last year, the SLTMO applied for the following grants:

- TFCA Grant – Received \$79,905 (two-year grant)

- TFCA BAAQMD Grant – Determined not eligible
- Lifeline Cycle 3 Supplemental Grant – Received \$265,443 (one-year grant)
- Measure BB Five Year Grant – Received \$1.02M (five-year grant)

The first year funding for the Measure BB grant was later eliminated as a result of receiving the \$265,443 Lifeline Grant allocation. But overall, the Measure BB grant stabilized the LINKS funding for the next five years.

The agreement with Kaiser Permanente to run the Kaiser Shuttle service was extended through August 2018 and the agreement with Marina Square to advertise on the LINKS buses was extended through December 2017. It is anticipated that Marina Square will renew the contract and continue to advertise on the LINKS buses.

The SLTMO continues to pursue a variety of grant funding, however, grant funding is unpredictable. For example, it was not until after we received the Lifeline Supplemental grant that we were informed that the Measure BB grant would be reduced by that amount. Grant funds are also 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.

For further details, the LINKS budget can be found in Exhibit C.

Planned Operations 2017-18

In FY 2015-16, the SLTMO focused on getting the new service up and running smoothly and updating the LINKS branding. The SLTMO launched a new marketing campaign including a new logo, brochure, shuttle stop signs and website. The 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. The LINKS brochure was also translated into Chinese and Spanish.

In FY 2016-17, the SLTMO focused on stabilizing the LINKS budget by applying for grants and renewing service contracts with Kaiser Permanente and Marina Square Shopping Center. The five year \$1.02M Measure BB grant has helped to stabilize funding for the next several years.

With secure funding sources, the focus of FY 2017-18 will be to further enhance the service through the installation of Nextbus technology followed by outreach to employers. The Nextbus service will provide real time arrival and departure information to riders through the Nextbus mobile app. The SLTMO has contracted with Nextbus and implementation is under way.

Summary of Priority Activities for 2017-18

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 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 – Last year, BART started to work with stakeholders to develop BART Curb Use Guidelines determining how shuttle stops and curb space will be allocated. The SLTMO will continue to work with BART to ensure that the LINKS and Kaiser Shuttles secure suitable curb assignments.

Shuttle Improvements – Install Nextbus technology on all LINKS buses to provide real time arrival and departure information through a mobile application. As funding becomes available, the SLTMO is committed to updating the service and enhancing the rider experience.

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 – 2018 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. The five year Measure BB grant has further stabilized 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 increase in the Consumer Price Index (CPI). For 2018 the applicable CPI factor is 3.0 percent. This would result in the BID per employee rate increasing from \$22.20 to \$22.87. 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 2018, 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							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
FY 16	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
FY 17	16,272	18,573	19,117	18,169	16,455	15,329	15,585	15,389	18,292	16,667	17,815	17,021	204,684	17,057	793

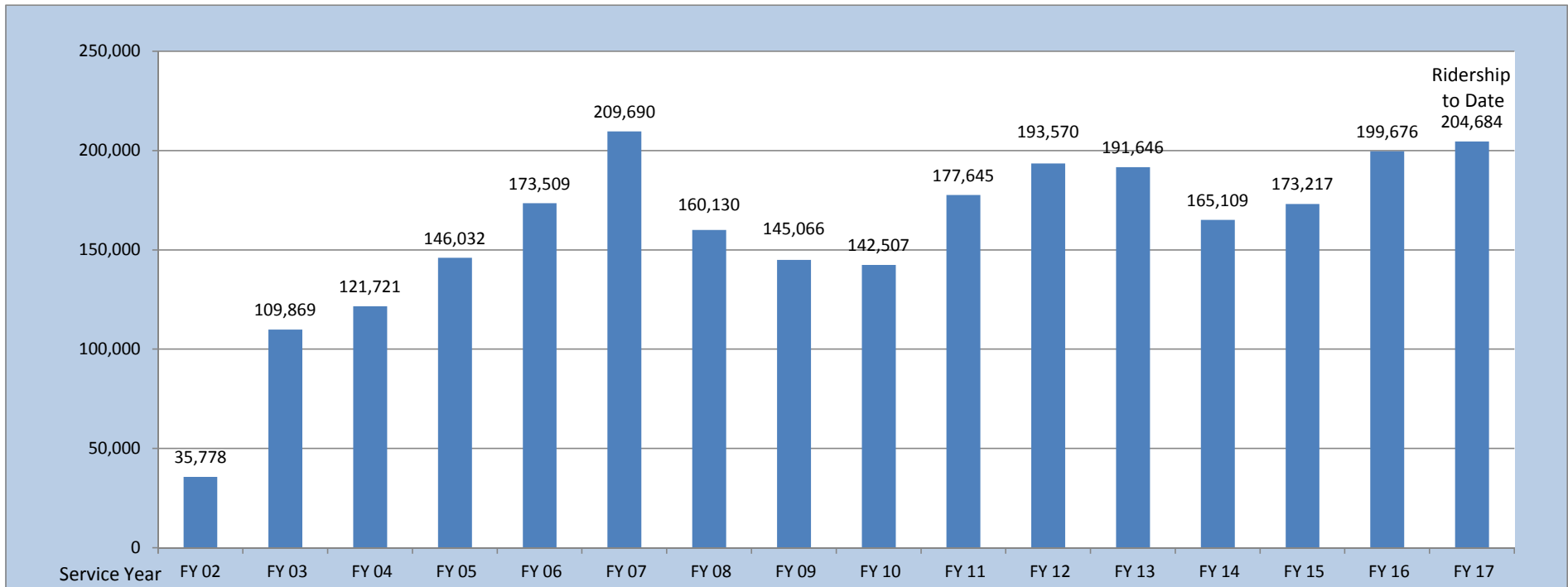


EXHIBIT B
Brochure

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)



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FREE SHUTTLE



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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	FY 2018-19
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget
Income:									
TFCA Grant		66,605	47,500		45,000	7,500	37,500		65,000
Lifeline Grant Cycle 3 Supplemental	96,602	72,681	62,458	108,673				265,443	
Lifeline Grant Cycle 3 (\$185,000/yr)						332,250	38,750		
Measure BB Grant									200,000
Business Improvement District	123,356	131,210	128,423	141,957	334,259	326,475	367,921	376,000	387,000
Kaiser Shuttle & TDM Mgmt.				81,165	434,831	444,549	545,249	513,000	513,000
Other - Shuttle Services, Advertising				2,545	8,121	4,375	3,000	71,000	71,000
Interest	231	318	-22	210	468	1,293	914		
RDA/City Contribution	50,000	50,000			50,000	95,000	75,000	50,000	50,000
Total Income:	270,189	320,814	238,359	334,550	872,679	1,211,442	1,068,334	1,275,443	1,286,000
Expenses:									
LINKS Shuttle - Transportation	266,083	237,796	232,317	222,486	330,677	430,221	536,927	580,000	590,000
Kaiser Shuttle - Transportation				32,405	348,602	314,756	443,230	446,000	446,000
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	83,960	62,000	62,000
Consulting (Audit and Rider Survey)	5,000			34,066	6,861		5,000	10,000	10,000
Marketing, Advertising, and Misc.	324		2,917	5,391	15,105	2,624	1,256	5,000	5,000
Insurance, Tax Return, Bank Charges, Non-Profit Fees	1,795	2,265	922	1,179	1,337	3,687	3,069	5,000	5,000
City Administration/Accounting	3,500								
Improvements/Technology (Nextbus)								48,340	6,000
Total Expenses:	300,702	262,061	267,693	379,362	815,851	846,336	1,073,442	1,156,340	1,124,000
Net Income	-30,513	58,753	-29,334	-44,812	56,828	365,106	-5,108	119,103	162,000
BUDGET NOTES:									
Expanded service started in March 2015									
90% of the two-year Lifeline Cycle 3 grant was drawn in FY 2015-16 making the revenue for that year appear high.									
FY 2015-16 expenditures do not include May/June transportation costs which are shown in 2016-17.									
BID estimate based on August 2017 CPI increase of 3.0%									
Kaiser contract expires August 2018									