



CITY OF KIRKLAND

Department of Public Works

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To: Marilynne Beard, Assistant City Manager

From: Daryl Grigsby, Public Works Director
David Godfrey, P.E., Transportation Engineering Manager

Date: September 6, 2007

Subject: METRO TRANSIT'S TRANSIT NOW PROPOSAL

RECOMMENDATION:

It is recommended that the Council provide direction to staff as to whether or not to submit proposals for Transit Now partnerships.

BACKGROUND DISCUSSION:

Introduction

In fall of 2006, King County voters approved a measure to increase sales tax in order to provide increased transit service. The package that provides this service is known as Transit Now. Transit Now has four elements: 1)Rapid Ride, bus rapid transit routes; 2)more service on key transit routes; 3)service for growing areas, new service for the east and south county areas such as Sammamish, Redmond Ridge, and the Snoqualmie Valley; and 4)service partnerships, where Metro partners with local agencies, and/or large employers to jointly fund transit service. This memo focuses on opportunities for the fourth category, service partnerships.

As described below, there are several strong potential partnership proposals for Kirkland. For any of them to be successful, Kirkland will have to contribute at least \$100,000 per year for five years. Proposals must include a cover letter explaining what steps the organization has taken to ensure that we are prepared to commit to the partnership if approved. Proposals are due to Metro on October 1. Therefore we are seeking council approval to submit proposals.

Partnership descriptions

There are two types of service partnerships. One is a speed and reliability partnership the other is a direct financial partnership.

Speed and reliability partnerships are arrangements between King County and any of 20 cities including Kirkland, that contain eligible core service connections in Metro's system. The cities agree to make changes to traffic operations and facilities that will improve bus travel time by 10 percent on these core routes. In return, Metro will add 5,000 transit service hours per year for each core route along the

improved corridor(s) that achieves the travel time savings. Metro reserves the service hours at the time of agreement, and service is added after the traffic improvements are complete.

It would be difficult for Kirkland to devise and implement projects on core routes (230, 234, 245, 255) that would decrease travel time by at least 10% over the entire length of the route. Therefore we have focused on direct financial service partnerships.

In a *direct financial service partnership*, a public or private partner (or more than one partner) contributes at least one-third of the fully-allocated cost of a new Metro route or new service on an existing Metro route. King County pays the other two-thirds. The agreement between King County and the partner(s) must span at least five years. Metro Transit will evaluate proposals for direct financial service partnerships according to certain requirements and criteria that reflect such priorities as support of urban centers and the core transit network, sustainability of resources and services, gains in ridership, and a willingness by the partner to take additional actions to increase success. More details on direct financial partnerships are presented in Attachment 1 at the end of this memo.

As stated above, Metro will receive and evaluate proposals from agencies based on two sets of criteria. The first set is a set of *required characteristics*. If a proposal does not meet each of these criteria it is not eligible for funding. The second set of criteria is used to rank proposals that pass the first set of criteria. These two sets are shown below.

Criteria that must be passed for a direct financial partnership (these are yes or no criteria)

Number	Direct financial partnership requirements
1	If proposal is to add hours to existing route(s), partner will contribute at least \$100,000 per year for a minimum of five years (in 2007 dollars).
2	If proposal is to add a new route or routes, partner will contribute at least \$200,000 per year for a minimum of five years (in 2007 dollars).
3	Proposed service will be managed by King County Metro Transit and available to the general public.
4	Proposed service will operate primarily on local streets and arterials, not primarily on state or interstate highways.
5	Proposed new partnership hours fit within the calendar year limit of half of total new service hours funded by Transit Now.

Criteria that are used to evaluate a direct financial partnership if the required criteria above are met (these too are yes or no criteria) Note that these criteria are listed in order of importance.

Number	Direct financial partnership priorities—in priority order
1	The partnership service will improve access to, from, or between designated Urban and Manufacturing Centers as defined in Countywide Planning Policies LU-40 and LU-52.
2	The partnership service will improve service on the network of core service connections as defined in the Six-Year Plan, Service Strategy S-3.
3	The partnership service by a public agency will improve access and circulation within designated Urban and Manufacturing Centers as defined in Countywide Planning Policies LU-40 and LU-52 or will provide service consistent with Six Year Plan Service Strategy S-13.

4	The partnership service will improve other services that support the goals and objectives of the Six Year Plan.
5	The partner(s) will commit to continue the partnership for more than five years.
6	The partner(s) will agree to fund more than the minimum one-third share of the fully-allocated service cost.
7	The partner(s) will commit to implementation of additional actions that are likely to increase ridership on the new services, such as: ___ Conducting promotional activities; ___ Providing incentives to employees and riders; ___ Establishing limits on parking supply or price for SOV parking within the area served by the new service; ___ Taking other policy actions that support the new service; ___ Taking other actions that are likely to increase ridership on the new service.
8	Projected ridership gain in annual boardings over the term of the agreement: Total: _____ Annually by year 5: _____

Potential Kirkland Partnerships

We have worked with Metro to develop potential proposals on three routes. They are described below.

Continue 15 minute peak hour service on Route 255

As a mitigation measure during I-405 construction, WSDOT funded additional trips on Route 255 (see map following page) in the peak period to create a 15 minute headway. The extra trips are oriented toward Seattle in the morning and toward Totem Lake in the afternoon. This proposal would continue funding of those trips. Metro has the following description of the proposal:

Route 255 ridership is growing rapidly. A WSDOT extension was implemented in June 2006. In spring 2007, Route 255 attracted an average of 917,400 annualized weekday riders, or more than 23 rides per platform hour. Since 2001, Route 255 ridership has grown 39 percent. Between the fall 2006 and the spring 2007, the annualized ridership increased by 11 percent. According to ridership data, southbound a.m. peak period Route 255 loads at Kirkland Transit Center increased 27 percent between spring 2006 and spring 2007. Note that this increase was attracted despite reroutes in Totem Lake due to construction projects.

Estimated Costs:

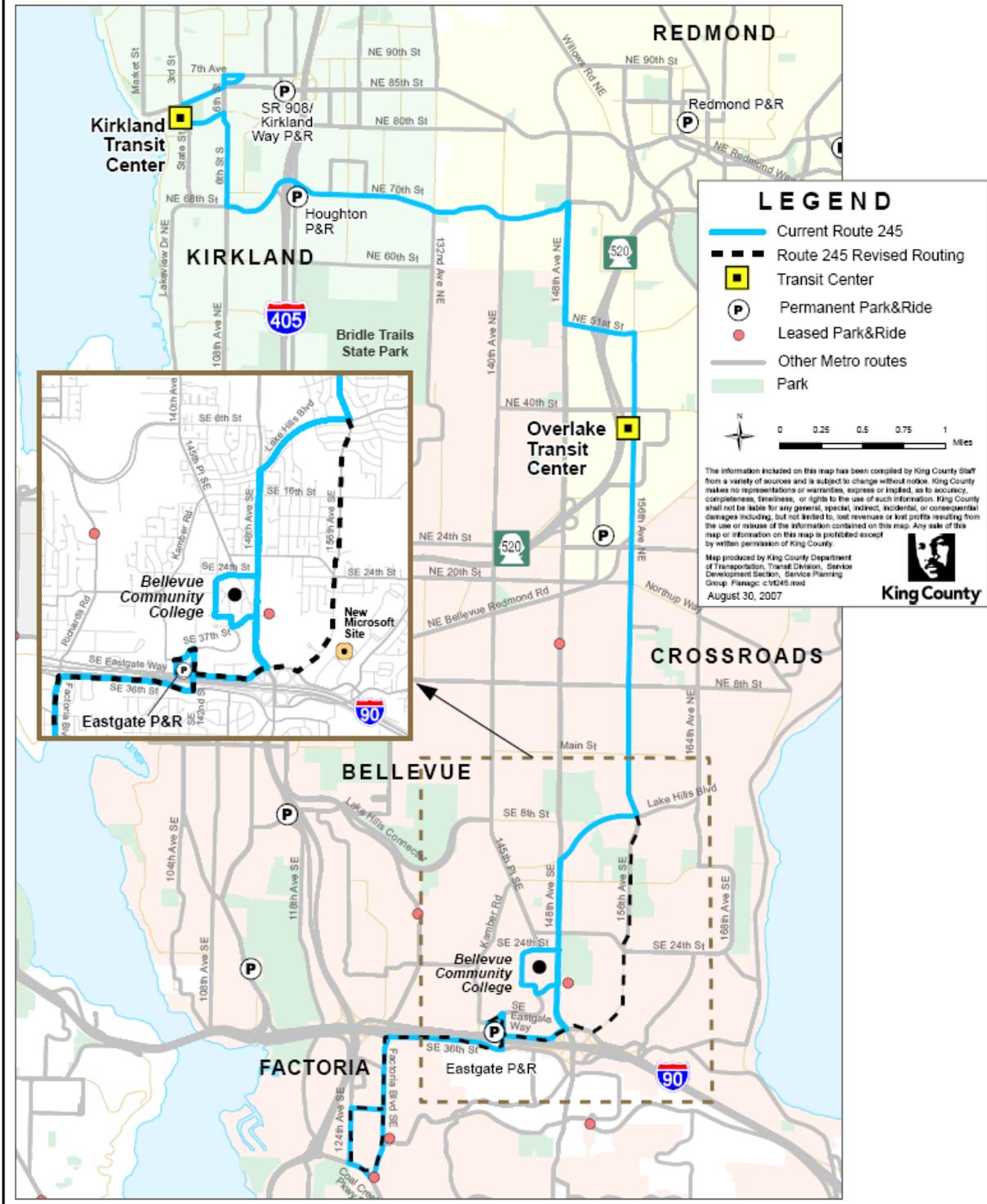
Total net annual cost: \$228,620

Minimum annual Kirkland contribution: \$76,210

Note that if this were the only Kirkland project the contribution would have to be at least \$100,000 per year due to Requirement 1.



Partnership Discussion: Route 245



Seattle is the only potential municipal funding partner for this project and they are not interested in partnering on this route.

Increased frequency on Route 245

This proposal has three options that would increase weekday two way peak, all day weekday or Saturday frequency from 30 minute to 15 minute headways. A route change in Bellevue could also be part of the proposal (see map page 5). Metro has the following description of the proposal:

Route 245 ridership is growing rapidly. The route was begun in September 2001. In spring 2007, it attracted an average of 540,500 annualized weekday riders, or more than 22 rides per platform hour. Since 2001, Route 245 weekday ridership has grown 142 percent. Between 2005 and 2006, the fall-to-fall increase was 17 percent. Spring 2007 Saturday service attracted 15 rides per platform hour. Saturday ridership grew by 170 percent since 2001.

If wait times were decreased by adding trips, ridership is expected to at least keep pace with the added platform hours within a few years.

Estimated cost

Headway improvement provided between 6 and 9 a.m. and 3 and 6 p.m. Weekdays

Total net annual cost: **\$843,340**

Total annual partner contribution: **\$281,120**

Headway improvement provided between 6 a.m. and 6 p.m. Weekdays

Total net annual cost: **\$1,597,200**

Total annual partner contribution: **\$532,340**

Improve two-way Saturday headway to 15-minutes from 30-minutes.

Total net annual cost: **\$283,350**

Total annual partner contribution: **\$94,450**

Note that if this were the only Kirkland project and Kirkland were the only contributor the contribution would have to be at least \$100,000 per year due to Requirement 1.

Bellevue, Redmond, Microsoft and T-Mobile are potential partners for these projects. Staff members from Bellevue, Kirkland and Redmond are scheduled to meet on September 12 to discuss how a partnership might be formed.

Extend 15 minute service from Kirkland to Totem Lake on Route 230

There is currently two-way 15 minute service in the AM and PM peak hours between Bellevue and Kirkland. This proposal would extend the trips that end in Kirkland on to Totem Lake. Another option would increase Saturday service to 30 minute headways between Bellevue and Totem Lake. It is currently 60 minute service.

Metro has the following description of the proposal:

Route 230 West connects the Bellevue Transit Center (BTC) and Kirkland. Route 230 West attracted an average of 22 rides per platform hour in fall 2006. Saturday

productivity was the highest day at 23.3 rides per hour. Between 2001 and 2006, average Route 230 West ridership increased by 29 percent and average Route 230 turnback (i.e. trips that end in Kirkland) ridership increased by 57 percent.

Estimated cost

Extend Route 230 West trips to Kingsgate P&R from Kirkland Transit Center.

Total net annual cost:	\$230,390
Total annual partner contribution:	\$76,800

Improve Route 230 West (Bellevue to Totem Lake) Saturday headway to 30-minutes.

Total annual cost:	\$114,920
Total annual partner contribution:	\$38,310

Note that if either of the above proposals were the only Kirkland project and Kirkland were the only contributor the contribution would have to be at least \$100,000 per year due to Requirement 1.

Although Bellevue and Redmond are potential partners for this proposal or other improvements on Route 230, neither city has a high interest.

Since the minimum contribution for a partnership agreement is \$100,000 or 1/3 of the total cost of service, whichever is greater, it makes sense to combine proposals so that our contribution is fully matched by King County. For example, if we made a proposal for only peak 255 service, it would cost Kirkland \$100,000 even though 1/3 of the total service cost is about \$76,000. If on the other hand we made a proposal that combined the 255 service (\$76,000 Kirkland share) with Saturday service on Route 230 (\$38,000 Kirkland share), the Kirkland cost would be about \$114,000 but we would be paying only 1/3 of the total cost of service. In other words, by applying for the combined service it would cost Kirkland an extra \$14,000 but Metro would contribute an additional \$77,000 of service.

Conclusion

There are several strong potential partnership proposals for Kirkland. For any of them to be successful, Kirkland will have to contribute at least \$100,000 per year for five years. Proposals must include a cover letter explaining what steps the organization has taken to ensure that we are prepared to commit to the partnership if approved. Proposals are due to Metro on October 1. The specific partnership proposals have not been finalized. Possible proposals include:

1. Route 255 and Route 230: Continue 15 minute peak frequencies on 255 and increase Saturday service to every 30 minutes between Bellevue and Totem Lake on Route 230. Kirkland cost estimated to be :\$114,520
2. Route 245: Add 15 minute two-way peak frequencies. This proposal would be submitted only if other partners could be found and the cost to Kirkland depends on how that partnership is structured.
3. Route 230: Extend 15 minute two-way peak frequency trips between Kirkland and Totem Lake and increase Saturday service to every 30 minutes between Bellevue and Totem Lake. Kirkland cost estimated to be :\$115,110

If any of the proposals are selected we would return to Council for funding authorization. Funding should come from operating resources (one-time revenues or operating reserves) rather than capital sources given that this is a payment for services. Funding from on-going sources could be considered as part of the budget process, but may not be sustainable for five years. It likely only one-time revenues could be available or the use of reserves may be needed. Potentially, funding could come from the following reserves:

Reserve	Balance as of Sept. 2007	Reserve Target
Contingency	\$2,882,890	\$3,285,172
General Operating Reserve	\$2,712,836	\$3,134,779

The requested Council action at this time is whether or not to proceed with the partnership proposal. We would come back to Council, if our application was accepted, with a request to utilize the aforementioned reserves as funding. If our proposal is denied, we would report back to Council with that information. The other action available to Council at this point is to not pursue the funding partnership proposal in that case staff would not submit any proposals.



Attachment 1. More details about Direct financial partnerships

Most of the following material is excerpted from the Transit Now website

<http://metrokc.gov/kcdot/transitnow/index.stm>

Who can apply for a direct financial partnership

Potential direct financial partners include cities, employers or employer groups, developers, and combinations of such organizations that can contribute to the costs of bus service and thus fulfill Transit Now's intent that Metro "establish partnership agreements where public and private entities have an economic incentive to create or sustain population and economic growth by increasing transit availability, and located where transit service investment will generate the most riders."

Requirements for a direct financial partnership

If the proposal is to add hours to an existing route or routes, partner(s) will contribute at least \$100,000 per year for a minimum of five years (in 2007 dollars).

If the proposal is to establish a new route or routes, partner(s) will contribute at least \$200,000 per year for a minimum of five years (in 2007 dollars).

The proposed service must be public transportation operated by Metro and available to the general public.

The proposed service must operate primarily on local streets and arterials, not primarily on state or interstate highways where traffic operations are not managed by the local jurisdiction.

The proposed new partnership hours must fit within the calendar-year limit of half of total new service hours funded by Transit Now. (Metro will determine this and let you know).

Priority criteria for proposals

Direct financial partnerships have priority over speed and reliability partnerships. On May 7, 2007, the Metropolitan King County Council approved an ordinance that sets additional priorities for selecting from eligible direct service partnership proposals. The Transit Now Service Partnership Criteria Ordinance lists the following eight criteria in order of priority ([View the complete ordinance](#)):

1. The partnership service will improve access to, from, or between designated [Urban and Manufacturing Centers](#) as defined in Countywide Planning Policies LU-40 and LU-52;
2. The partnership service will improve service on the network of core service connections as defined in the King County [Metro Transit Six-Year Transit Development Plan](#) (see page 5 and table 4-2 of linked document);
3. The partnership service by a public agency will improve access and circulation within designated [Urban and Manufacturing Centers](#) as defined in Countywide Planning Policies LU-40 and LU-52 or will provide service consistent with [King County Metro Transit Six-Year Transit Development Plan, Service Strategy S-13](#). A circulator or ride-free service partnership with a public agency also will provide service in a manner that supports enhancement of existing transit centers by providing frequent connections between a transit center and major destinations within the urban center;
4. The partnership service will improve other services that support the goals and objectives of the [King County Metro Transit Six-Year Transit Development Plan](#);
5. The partner or partners will commit to continue the partnership for more than five years;
6. The partner or partners will agree to fund more than the minimum one-third share of the fully allocated service cost;
7. The partner or partners will commit to implementation of additional actions that are likely to increase ridership on the new services, such as:

- a. conducting promotional activities;
 - b. providing incentives to employees and riders;
 - c. establishing limits on parking supply or price for single occupant vehicle parking within the area served by the new service;
 - d. implementing parking management to increase the attractiveness of transit and ridesharing;
 - e. taking other policy actions that support the new service; or
 - f. taking other actions that are likely to increase ridership on the new services.
8. Projected ridership gain in annual boardings over the term of the agreement.

Proposal (due by Oct. 1, 2007)

Your proposal must include a cover letter explaining what steps your organization has taken to ensure that you are prepared to commit to the partnership if approved. This letter must be signed by an official who can commit to the partnership.

In addition, the proposal must include the following:

Organization name

Contact person

Address

Phone

Email

Name, title, and signature of person committing to the partnership

List of all partners other than King County Metro Transit

Description of the proposed partnership

The purpose and target market of the service additions

The implementation date

A detailed list of the proposed service additions

Ridership forecasts

The number of new annual service hours

The service costs

Funding sources and amounts to be provided by each partner

A completed [checklist of requirements and criteria](#), including complementary actions you are willing to take

Mail these materials to the following address in time for them to be received by **October 1, 2007**:

Matt Hansen, supervisor

King County Metro Transit Market Development Group

400 Yesler Way, YES-TR-0600

Seattle, WA 98104