



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY

TO: City Council Members

FROM: Kira Luke, Russell Weeks, Ben Luedtke
Budget & Policy Analysts

DATE: July 20, 2021

RE: **FUNDING OUR FUTURE Transit Update: Interlocal Agreement with Utah Transit Authority Addenda 4 and 5**

ISSUE AT-A-GLANCE

Funding Our Future: in 2018, following significant public engagement, the City approved a 0.5% sales tax rate increase to address unfunded critical needs for projects and services, including **improved transit service**. To this end, the Council set four priorities to improve transit:

- Increasing coverage for under-served areas, particularly the West side but not excluding other underserved areas of the City;
- Increasing ridership, particularly in the City's downtown core;
- Building out infrastructure on *Transit Master Plan* routes;
- The budget and timeline are based on 1000 North, 600 North, 200 South, 900 South, 2100 South. 400 South will be the last route implemented.

**FUNDING
OUR FUTURE**



The Council prioritized 200 South, 900 South, and 2100 South for the first phase of transit improvements, with later improvements planned for 600 North and 1000 North. ⁱ

NEW INFORMATION

The resolution included for the Council's consideration would approve a fourth addendum (4) the Interlocal Agreement (ILA) governing the City and Utah Transit Authority (UTA)'s collaboration, continuing service on East-West connecting Routes 2 (200 South), 9 (900 South) and 21 (2100 South). The resolution also approves a fifth addendum (5), which initiates mobilization on Route 1 (1000 North) by January 2022. The addenda can be found on page 43 of the [administrative transmittal](#).

Addendum 4

Addendum 4 authorizes funding and continued City sponsorship for enhanced (more frequent service and extended hours on nights and weekends) services on routes 2, 9, and 21. Once service reaches a specific threshold in terms of riders served, UTA assumes sponsorship and funding of that service, and City-funded sponsorship is no longer required. This was realized on Route 2 in Addendum 3, which resulted in a -\$156,175.35 savings to the City.

Information provided in Addendum 4 notes that Route 21 has also met UTA's weekday threshold, but since that route was not prioritized in UTA's 5-year plan, UTA is not sponsoring service at this time. [The 5-year plan](#) was adopted February of 2021, and receives biennial updates. More information about the threshold evaluation standards can be found on [page 77 of the Administrative transmittal](#).

Addendum 5

Mobilization is distinct from operating costs in that funding covers additional vehicles and hiring needed to accommodate the new services. Service funding will be requested at a later date; mobilization will allow UTA to gather the resources needed to launch the new service.

With the mobilization of 1000 North, the City is drawing closer to the routes originally prioritized during the 2018 Funding Our Future discussions. Those priorities were strongly influenced by the [Transit Master Plan Tier I route priorities](#), as well as Council direction from constituent feedback. In the spirit of equity, Funding Our Future routes have historically focused on improving east-west connectivity, so routes identified in the TMP focusing on North-South have not been contemplated. The envisioned path of 1000 North appears to fall within the spirit of the TMP recommendation of service on South Temple. More information on the Transit Master Plan can be found on page 5.

BUDGET IMPACT

Fiscal Year 22		
Addenda 4 & 5		
Addendum 4		
Items	Funding	Budget Estimates
200 South, 900 South, 2100 South/2100 East FTN Operating costs		\$3,761,154.74
Fuel Costs		\$221,200.49
Vehicle Costs		\$493,061.40
Addendum 4 Totals	\$4,500,000	\$4,475,416.63
Addendum 5		
Items	Funding	Budget Estimates
500 North mobilization	\$1,100,000	\$949,322
Addendum 5 Totals	\$1,100,000	\$949,322
Addendum 4 & 5 Totals	\$5,600,000	\$5,424,739
Amount Remaining in the budget allocation	\$175,261	

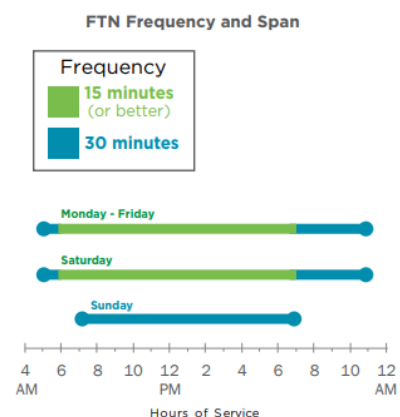
POLICY QUESTIONS

- Excess allocation:** The Council may wish to discuss the Administration's recommendation or other potential uses for the available \$175,261.37
- Route 9:** earlier drafts of Route 9 indicated connection to North Temple, although service to date has yet to go farther North than 400 South, due to first/last mile considerations and plans for new transit hubs. The Council may wish to ask for an update on planned hubs and whether North Temple connectivity is still anticipated in future addenda.
- Alternate transit modes:** How will UTA's study of downtown light-rail extensions and the City's study of livable streets affect discussions of future addenda?
- Fare pass analysis:** \$30,000 from the FY18-19 Funding Our Future allocation was authorized for an outside study of fare pass efficacy and recommendations to increase transit use and accessibility throughout the City. **The Council may wish to ask the Administration for an update on this analysis.**
- Additional routes:** During the Fiscal Year 2020-21 discussions, the Council received an update that UTA plans to sponsor (cover costs for) 600 North. However, staff understands that there are significant delays or increased costs to implement those routes as planned in addition to lingering pandemic-related uncertainty. The [current Phase I Map](#) does not yet include a projected route for 600 North. **The Council may wish to request a formal update detailing implementation plans for 600 North.**

BACKGROUND INFORMATION

Interlocal Agreement Background Routes

The ILA categorizes the City's service improvements as Frequent Transit Network (FTN) routes and refers to the City's Transit Master Plan (TMP) for the controlling definition. The minimum service for routes serving 200 South, 900 South, and 2100 South is as outlined below. UTA may choose to provide



additional service with no cost to the City; any City-requested service expansions are subject to additional negotiation and funding.

The map on page 50 of the Administrative transmittal currently reflects a modified Route 9 from the original plans, ending at 400 South instead of continuing to North Temple. This was due to multiple factors involving pending plans for a Westside Transit Hub, the location of which is anticipated to affect multiple westside bus routes, and changes at the eastern end of the line, where 2019 realignment to all routes on the University of Utah campus resulted in changes to several routes, including Route 9.

Source: Administrative Transmittal, Page 51

Responsibilities in the Interlocal Agreement

City	UTA
Provide funding to support route operation; appropriate funding and notify UTA of available funding annually	Manage and operate routes, equipment, personnel, insurance and accounting
<i>May</i> construct new bus stops, in compliance with UTA's standards; enhanced* maintenance to be negotiated prior to construction and funded by the City	Produce/install branded bus stop signs
Send designee (City Transportation Director) to technical working group	Send designee (UTA Planning Director) to technical working group
Regularly exchange information to assess performance and report to the parties**	
Share fuel costs via a semiannual "true-up"	

*The Addendum template provides a section to define baseline (non-enhanced) services.

**Performance metrics could be added to the *Funding Our Future* website

The interlocal agreement between Salt Lake City and the Utah Transit Authority has two parts – a 20-year master agreement, and specific addenda, which are negotiated each year. The master agreement is scheduled to end June 30, 2039. The master agreement is intended to form the framework of how transit improvements in the City's Transit Master Plan will be implemented.

Addendum 2, Amendment 1 (2.1)

The second addendum governed the first year of services from August 2019 to August 23, 2020, the latter half of which has been impacted by COVID-19 since adoption.

An Amendment to the second addendum addressed impacts on services from COVID-19. During the peak of the "Stay Safe, Stay Home" phase, UTA sharply reduced services, including those governed by the ILA. The amendment takes this reduction into account, along with decreased costs for fuel, and a slight increase in actual miles funded and amends the addendum to reflect a net reduction of \$511,472. The amendment proposes to credit this amount to the City for the next service period governed by Addendum 3 (August 2020-August 2021).

Addendum 3 (3)

The third addendum authorized funding for frequent transit network (FTN) service from August 2020 to August 2021, including operator wages, benefits, service administration, vehicles and maintenance, fuel, paratransit, and customer service for Routes 2, 9, and 21. As of August 23, 2020, UTA restored services system wide to 91% of pre-pandemic levels, which includes frequent service on Routes 2, 9, and 21.

Transit Master Plan (TMP) Implementation

The agreement contemplates following the Frequent Transit Network as identified in the *Transit Master Plan*.

Figure 2-1 Frequent Transit Network (FTN) Summary

Feature	Description
Mode	Any mode that meets the service level definition is considered part of the FTN (e.g., could include TRAX, BRT, Bus Plus/Enhanced Bus ¹ , Streetcar, etc.).
Span	Operates all day every day (see Figure 2-4 for minimum service level definition).
Frequency	Operates at sufficient frequency for most of the day so that riders don't have to consult a schedule (see Figure 2-4 for minimum service level definition).
Route Spacing	Operates throughout the city on relatively straight, east-west and north-south cross-city corridors spaced approximately every ½ mile so no passenger has to walk more than ~1/4 mile to access the FTN (see Figure 2-6 and Figure 2-7 for FTN maps illustrating recommended phasing).
Branding	The FTN is branded in a clear, easily identifiable, and easily distinguishable way to make it easily recognizable on the street, in print materials, and in online information. This includes stops, stations, vehicles, maps, schedules, wayfinding, and trip planning information. (See FTN branding examples in Chapter 5).
Reliable	Investments are made and service is operated to maximize reliable headways (see capital recommendations in Chapter 3).
Permanent/ Stable	Provides a permanent service option—e.g., residents, businesses, and developers can count on trunk bus lines to remain where they are, just like a TRAX line is permanent.
Stop Spacing	Stop spacing varies depending on mode, but could range from ¼ to ½ mile for bus and ½ to 1 mile for light rail. (See Chapter 3: Capital.)

Source: Transit Master Plan

The plan laid out a number of recommendations for short term implementation, many of which are reflected in the priorities for Funding Our Future distributions. [Tier 1 Recommendations can be found on page 53 of the Transit Master Plan.](#)

The Transit Master Plan used a formula based on transit industry standards to develop the Frequent Transit Network recommendations. According to the plan, the formula can be used in the future to help determine when the plan's recommendations can be revised to reflect population or job growth within the City. Here is the formula:

- Operate light rail in areas where there are 12 to 24 or more households per acre and/or 16 to 32 or more jobs per acre.
- Operate Bus Rapid Transit in areas where there are 10 to 15 households per acre and/or 12 to 20 jobs per acre.
- Operate buses every 15 minutes in areas where there are 10 to 12 households per acre and/or 12 to 16 jobs per acre.
- Operate buses every 30 minutes in areas where there are 6 to 10 households per acre and/or 8 to 12 jobs per acre.
- Operate buses every hour in areas where there are 3 to 6 households per acre and/or less than 4 jobs per acre.ⁱⁱ

According to the Administration, the thresholds are best practices based on current industry research and should be used as guidelines rather than standards. Transit planning would take a variety of local conditions into consideration about appropriate densities, as would UTA in establishing service levels. The guidelines also can be helpful to communicate the relationship between density and successful transit.

Glossary

Frequent Transit Network – FTN
Fiscal Year - FY
Interlocal Agreement – ILA
Transit Master Plan - TMP
Utah Transit Authority – UTA

Attachments

[UTA's 5-year service plan](#)

ⁱ Videotape, Council work session, Russell Weeks, October 9, 2018, 1:09.

ⁱⁱ *Transit Master Plan*, Page 6-4, 6-5. (Attachment 1)