



# ADDENDUM

**Meeting of the Connect Transit Board of Trustees**

**February 25, 2020 - 4:30 P.M.**

**Town of Normal, 11 Uptown Station, 4th Floor  
in the Multipurpose Room #409.  
Normal, Illinois 61761**

- F. New Business
  - 2. Board Acceptance and Support of *Connect to the Future Work Group Recommendations* (Addendum)



## MEMO

DATE: February 25, 2020

TO: Board of Trustees

FROM: Isaac Thorne, General Manager

Subject: Recommendation to Accept and Support the Connect to the Future Work Group Recommendations

**RECOMMENDATION:** That the Connect Transit Board of Trustees Accept and Support the Connect to the Future Work Group Recommendations.

**BACKGROUND:** The Board of Trustees approved the Connect to the Future Working Group in April 2019. The Work Group Members invested a great amount of time in understanding the issues and providing recommendations for our future, including strategies for the financial viability and sustainment.

**DISCUSSION:** Attached are the approved Work Group recommendations and an Executive Summary on budget details.



## Connect to the Future Work Group Recommendations

As Approved January 26, 2020

The Connect to the Future (CttF) Work Group was convened by the Connect Transit Board of Trustees to engage the community in questions related to the essential role of transit in Bloomington-Normal: As an evolving community, what do we want our mobility platform to be in Bloomington/Normal? How does transit figure into the daily lives of our citizens, some of whom rely on Connect and Connect Mobility as a most-basic resource? What new opportunities have we yet to imagine about what Connect might offer the entire riding public?

Work Group members, listed in alphabetical order, include: Josh Barnett, Tim Bassett, Judy Buchanan (Connect Transit Trustee and co-chair), Marty Eckert, Linda Foster (Connect Transit Citizens Advisory Board), Julie Hile (Connect Transit Trustee and co-chair), Dylan Hile-Broad, Katy Killian, Kim Klepek, Steven Kossman, Deborah Presley, and De Urban. We were supported during portions of the process by consultants from Smart Growth America.

CttF sat together for the first time in June 2019 and met eight times in full and more frequently in the subgroup areas of *Access and Ridership*, *Economic Development Partnership*, *Land Use*, and *Sustainable Funding*. Deep research and learning led to intense discussion. The attached “Background Material” is intended for those who wish to better understand our research and process. The below recommendations are consensus-based, and they conclude our work.

### Framing Ideas

We, the Connect to the Future Work Group:

- Envision Connect Transit as a community-invested, well-resourced, and expertly operated public service that many in our community rely on for daily living. We want a system that is outstanding—affordable, accessible, and equitable in its care for our most transit-reliant population—as well as in its appeal for all riders.
- Offer our recommendations as an integrated, systems-based approach. The more comprehensively we implement these recommendations, the more momentum we build toward the public transit system our community deserves up to and someday perhaps including a full fare-free system.
- Underscore that as currently funded and operated, Connect Transit will become insolvent by 2026. This funding gap is real, and solving it is an essential top priority.
- Emphasize that qualification for improved capture of Illinois Department of Transportation Downstate Operating Assistance Program (DOAP) matching dollars is the most desirable means of increasing Connect Transit’s funding stream. DOAP will cover 65% of increased operating expenses from the changes we recommend *with the balance needed in local funding*.

### Sustainable Funding

1. One Rate for All
  - Raise the fixed route one-way rate from \$1 to \$1.25 for all riders.
  - Reduce Connect Mobility one-way rates from \$2.00/\$3.00/\$4.00 to \$1.25.
  - Revise the rate of the monthly unlimited pass for all Connect Mobility and fixed route riders to \$40, with a fare capping option for all.
2. To support these recommendations and address the structural deficit in how Connect Transit is funded, increase the City of Bloomington and Town of Normal combined annual investments by \$500,000, in a phased approach.

Fiscal Year 2020-2021	}	Town: \$100,000 increase per year
Fiscal Year 2021-2022		City: \$150,000 increase per year

This \$500,000 will ensure continued qualification for DOAP dollars which brings total combined funding to \$1,428,571.

Note Recommendation #7 re the “MyConnect” public engagement campaign as a means of building broad taxpayer support for increased investment of municipal resources in Bloomington/Normal public transportation.

3. Reframe expanded Universal Access partnerships (higher contracts, more partners) with “MyConnect Champions” as investments in a stronger public transit system for the benefit of all.
4. Explore the possibility of additional DOAP funding through municipalities transferring to Connect dollars currently budgeted for sidewalks adjacent to bus stops.

### **Service Expansion**

5. Extend Connect Mobility service to the City and Town limits.

### **Fare Free Pilot**

6. Pilot Fare-Free transit on the backbone of our current system: the Green Route. Use a 6- to 12-month pilot to engage Normal and Bloomington riders in the experiment of zero-fare public transit and gather ridership data that is clear, measurable, and performance-based. For example:
  - Ridership: total riders, first-time Connect Mobility riders, and first-time general population riders
  - Level of rider satisfaction from surveys and focus groups
  - Ontime performance (timely, reliable, consistent, practical resource)
  - Business community endorsement of Connect based on increased use of the Green by employees and customers/clients/patients

Gather, analyze, and post results data with maximum transparency, relying on it to inform continuation decisions. Continuation would require additional funding by a combination of public and private dollars.

### **“MyConnect” Community Education and Engagement**

7. Best-practices-based community campaign educating riders of all kinds about the benefits of public transportation: the Connect community, results of the Green Route pilot, economic development, environmental justice, equity, affordability, Bloomington/Normal pride and connection. Engage community partners, build public confidence in Connect, and increase ridership.
8. Add Business, ISU student, and Heartland student members to Connect Transit Advisory Committee.

### **Policy**

9. Regularly review Inter-Governmental Agreement (IGA) to ensure it is current and reflects the intentions of these recommendations.

### **Infrastructure and Land Use**

10. Continue Better Bus Stops campaign.
  - Complete 90 stops in 2020 and increase pace by 20% each year for 100% completion of current stops by 2024.
  - Prioritize bus stops to be upgraded based on frequency of wheelchair ramp deployment and ridership.
11. Advocate for Downtown Transportation Center.
12. Commit to Transit-Supportive Development.
  - Redefine Connect Transit as a primary planning partner, creating mechanisms in Bloomington and Normal municipal governments that require Agency participation in ordinance and code review.
  - Include Connect Transit review of specific development construction plans, factoring their consultation into development decisions before submission to City and Town Council for approval.

### **Future Action with Additional Funding**

13. Pilot additional fixed route and/or on-demand service to select high-density areas.
  - Prioritize target areas according to most-current census data like that sourced in the McLean County Regional Planning Commission Connect Transit Short-Range Transit Plan density map.
  - Improve pilot design by partnering with the social service agencies which represent prospective new riders.
  - Gather, post, and analyze results data with maximum transparency, relying on it to inform continuation decisions.

Continuation would require additional funding by a combination of public and private dollars.



## **Executive Summary Work Group Recommendations**

### **Background**

The fare structure proposed by staff in 2019 was recommended to increase fare revenue to offset federal operating dollars in the budget. The fare revenue produced by the fare structure was a temporary solution to ensure that Connect did not have to make reductions in service before 2025. The absence of additional fare revenue or local investment would force Connect to make drastic reductions in service and routes in 2025 and 2026.

### **Work Group Recommendations**

#### **One Rate for All**

Staff has estimated that the "One Rate For All" fare structure will increase revenue \$87,254 (passes/cash) for fixed route and decrease revenue \$58,100 (passes/cash) for Connect Mobility. This is an estimated net gain of \$29,154 in revenue.

Staff is estimating the cost of Connect Mobility service will increase due to increased service areas and lowering of the fare. Connect Mobility ridership is estimated to increase 5.5% or 5,496 trips. This is not expected to change operations of Connect Mobility in terms of increasing vehicles in service. The last two years Connect has replaced Mobility vehicles and has 18 vehicles and operates 15 in peak service.

The total cost increase of Connect Mobility is estimated to be \$166,000. The Illinois Department of Transportation Downstate Operating Assistance Grant will cover 65% of this expense or \$107,900. Connect Transit is responsible for 35% or \$58,100.

The estimated increase of expenses of \$58,100 is offset by the estimated fare revenue of \$29,154, the difference being a total cost increase of \$28,946.

#### **Zero Fare Green Route 12 Month Pilot**

The Green Route zero fare 12 month pilot will reduce fare revenue by an estimated \$20,000. The Green route will be used as an economic and environmental tool to increase ridership and get residents out of their vehicle.

#### **Better Bus Stop Campaign 100% ADA Compliance**

The goal of having bus stops 100% ADA compliant by 2024 is aggressive. Connect may be one of few agencies with the goal of 100% ADA compliant stops. The plan is to increase bus



stop improvements starting with 90 bus stops in FY2021 and increase 10% until all are completed.

Connect cannot complete this goal by ourselves and needs our partners, stakeholders, and community to help us.

Last fall, Connect was awarded \$500,000 federal grant to make bus stop improvements and can leverage this funding for \$900,000 of IDOT funding for a total of \$1.4 million. It is estimated to cost \$2.5 million to complete the Better Bus Stop Campaign. The Work Group recommendations ask Connect to explore leveraging additional DOAP funding through municipalities transferring sidewalk dollars adjacent to bus stops to Connect.

### **Sustainable Funding Detail**

The combined \$500,000 investment request from the City and Town will address the deficit and support the Work Group recommendations. The estimated budgets below represent the estimated FY2020 budget based on the staff fare proposal approved in 2019 and the Work Group "One Rate for All" fare structure with a requested \$500,000 investment.

The two budget scenarios below include the same estimated expenses. Both have variable fare revenue estimates based on passes and cash fares. The differences in the fare revenue varies because of the two separate fare proposals. Staff has done its best to conservatively estimate the increase in expenses and fare revenue. There are many variables that could either lower or increase expenses and fare revenue over a 10-year span.

The additional investment of \$500,000 from the City of Bloomington and Town of Normal will lower the Federal dollars in the operating budget. This will provide more financial stability for Connect Transit and transit dependent riders. The local investment prevents drastic service reductions in 2026, provides affordable and equitable fares proposed by the Work Group, and more financial flexibility to use these Federal dollars for capital purchases such as the Better Bus Stop Campaign.



Fiscal year 2021 Estimated Budget  
 FY2020 Fare Proposal Vs. "One Rate for All" fare proposal

Fares Based on FY 2020 Budget										
	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	FY 2026 Budget	FY 2027 Budget	FY 2028 Budget	FY 2029 Budget	FY 2030 Budget
<b>Total Operating Revenue</b>	<b>1,722,820.00</b>	<b>1,808,961.00</b>	<b>1,899,409.05</b>	<b>1,994,379.50</b>	<b>2,094,098.48</b>	<b>2,198,803.40</b>	<b>2,308,743.57</b>	<b>2,424,180.75</b>	<b>2,545,389.79</b>	<b>2,672,659.28</b>
<b>Total Operating Expenses</b>	<b>14,333,000.00</b>	<b>15,049,650.00</b>	<b>15,802,132.50</b>	<b>16,592,239.13</b>	<b>17,421,851.08</b>	<b>18,292,943.64</b>	<b>19,207,590.82</b>	<b>20,167,970.36</b>	<b>21,176,368.88</b>	<b>22,235,187.32</b>
Operating Revenue	1,722,820.00	1,808,961.00	1,899,409.05	1,994,379.50	2,094,098.48	2,198,803.40	2,308,743.57	2,424,180.75	2,545,389.79	2,672,659.28
Local Revenue	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
State Support	9,230,650.00	9,782,272.50	10,271,386.13	10,784,955.43	11,324,203.20	11,890,413.36	12,484,934.03	13,109,180.73	13,764,639.77	14,452,871.76
Federal Support	2,247,530.00	2,326,416.50	2,499,337.33	2,680,904.19	2,871,549.40	3,071,726.87	3,281,913.21	3,502,608.88	3,734,339.32	3,977,656.28
<b>Total Revenue and Support</b>	<b>14,201,000.00</b>	<b>14,917,650.00</b>	<b>15,670,132.50</b>	<b>16,460,239.13</b>	<b>17,289,851.08</b>	<b>18,160,943.64</b>	<b>19,075,590.82</b>	<b>20,035,970.36</b>	<b>21,044,368.88</b>	<b>22,103,187.32</b>
Fares Based on WG Fare Increase, \$250,000/\$500,000 Investment										
	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	FY 2026 Budget	FY 2027 Budget	FY 2028 Budget	FY 2029 Budget	FY 2030 Budget
<b>Total Operating Revenue</b>	<b>1,675,000.00</b>	<b>1,758,750.00</b>	<b>1,846,687.50</b>	<b>1,939,021.88</b>	<b>2,035,972.97</b>	<b>2,137,771.62</b>	<b>2,244,660.20</b>	<b>2,356,893.21</b>	<b>2,474,737.87</b>	<b>2,598,474.76</b>
<b>Total Operating Expenses</b>	<b>14,500,000.00</b>	<b>15,225,000.00</b>	<b>15,986,250.00</b>	<b>16,785,562.50</b>	<b>17,624,840.63</b>	<b>18,506,082.66</b>	<b>19,431,386.79</b>	<b>20,402,956.13</b>	<b>21,423,103.93</b>	<b>22,494,259.13</b>
Operating Revenue	1,675,000.00	1,758,750.00	1,846,687.50	1,939,021.88	2,035,972.97	2,137,771.62	2,244,660.20	2,356,893.21	2,474,737.87	2,598,474.76
Local Revenue	1,250,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
State Support	9,339,200.00	9,896,250.00	10,391,062.50	10,910,615.63	11,456,146.41	12,028,953.73	12,630,401.41	13,261,921.48	13,925,017.56	14,621,268.44
Federal Support	2,103,800.00	1,938,000.00	2,116,500.00	2,303,925.00	2,500,721.25	2,707,357.31	2,924,325.18	3,152,141.44	3,391,348.51	3,642,515.93
<b>Total Revenue and Support</b>	<b>14,368,000.00</b>	<b>15,093,000.00</b>	<b>15,854,250.00</b>	<b>16,653,562.50</b>	<b>17,492,840.63</b>	<b>18,374,082.66</b>	<b>19,299,386.79</b>	<b>20,270,956.13</b>	<b>21,291,103.93</b>	<b>22,362,259.13</b>
<b>Federal Support Savings</b>	<b>143,730.00</b>	<b>388,416.50</b>	<b>382,837.32</b>	<b>376,979.19</b>	<b>370,828.15</b>	<b>364,369.56</b>	<b>357,588.04</b>	<b>350,467.44</b>	<b>342,990.81</b>	<b>335,140.35</b>