



ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Martin R. Erickson Agenda Item No. 0-1  
 Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other (Specify) \_\_\_\_\_

**DATE:** May 21, 2009

**TO:** City Council

**FROM:** Martin R. Erickson, Legislative Affairs Manager  
 City Manager's Office

**SUBJECT:** Gold Coast Transit (GCT) FY 2009/10 Capital and Operating Budget

**RECOMMENDATION**

That City Council support the GCT Fiscal Year (FY) 2009/10 proposed capital and operating budget in an amount not to exceed \$4,320,218 for fixed route service, senior and disabled paratransit service, and the capital program.

**DISCUSSION**

Gold Coast Transit (GCT) is the public transit provider for western Ventura County. GCT is a Joint Powers Agency (JPA) with five members: City of Oxnard, City of Ventura, City of Ojai, City of Port Hueneme and the County of Ventura.

GCT's budget responds to the most challenging environment for public transit in the last twenty years, and maintains the successful track record of recent service improvements and ridership increases. Some of the highlights are listed below:

- The budget before City Council is constrained in light of the challenging fiscal environment, representing service adjustments to respond to the fiscal environment.
- Oxnard's anticipated FY 2009/2010 Transportation Development Act (TDA) contribution to GCT is \$4,320,218, an increase of 3.9 % over last year's amount.
- GCT's overall ridership has been increasing even after gasoline prices fell from their peaks. This is a positive sign that more people are choosing to ride the bus.
- GCT is attracting more "choice" riders, who are using transit instead of driving their automobile.

A significant challenge for GCT and the provision of all public transit in Ventura County is the sharp reduction in Transportation Development Act (TDA) funding, derived from the quarter cent sales tax collected statewide. Countywide revenues from TDA are down significantly from last fiscal year. Added to that, State Transit Assistance (STA) transit funding was eliminated from the State budget in February as the State attempted to shift costs to balance their budget. The net result of this funding situation is that revenues for transit have been drastically reduced, and the City of Oxnard will likely need to expend all its TDA funding on transit purposes, leaving no funding remaining for the expansion of service in the immediate future.

Fortunately, transit ridership is up for the year, showing that the recent service improvements have been effective. Additionally, GCT staff has been working closely with City Development Services staff to condition developments to be more transit oriented. This is important not only for improving transit ridership, but also for reducing automobile traffic and improving air-quality. With the recent passage of SB 375 (Steinberg), reducing greenhouse gas emissions is now State policy; and transit will play a critical role in meeting the goals set forth by this legislation. One of the changes approved to the GCT JPA in 2007 allows member agencies to allocate non-TDA funds to GCT. This provides benefits to both the member agency (the City) and to GCT. For the City, it allows TDA monies to be used for additional City transit purposes and opens up the option of conditioning future developments to pay for specified transit services. For GCT, receiving non TDA revenues will help them exceed the 20% farebox requirement as it pertains only to TDA revenues. GCT is requesting \$240,000 of non-TDA funds for FY 09/10, and City staff has identified air-pollution-buy-down funding as the source for this non-TDA revenue as it must be spent on activities linked to reducing air-pollution, such as transit.

## **FINANCIAL IMPACT**

The City of Oxnard has historically funded GCT with its apportionment of Transportation Development Act (TDA) funds. Because TDA funds are intended for transit needs, staff projects adequate revenue to fund GCT at the proposed amount of \$4,320,218. City staff will incorporate \$240,000 of air-pollution-buy-down funds into the FY 09/10 TDA claim when it is submitted to City Council in October, 2009.