

*Tri-City Trolley
Transit Needs Assessment Study*



*Final Report for OCTA Go Local Program
Step One*

Submitted to OCTA by:

The City of Dana Point

The City of San Clemente

The City of San Juan Capistrano

March 13, 2008

Tri-City Trolley Transit Needs Assessment Study Final Report for OCTA Go Local Program Step One

1. Summary of the Project

The Cities of Dana Point, San Clemente, and San Juan Capistrano joined together in response to OCTA's Go Local program to assess transit needs within the three cities, particularly with regard to access to Metrolink stations. This report summarizes the project and presents the selected alternative for a Tri-City Trolley.

Consideration of trolley service preceded the Go Local program. The City of San Clemente completed a Downtown Vision and Strategic Plan in 2005, with the concept of a trolley to connect to Metrolink and Amtrak, link key destinations, reduce traffic congestion and parking demand, and enhance a pedestrian-friendly atmosphere. The Downtown Trolley Committee subsequently worked to develop the trolley concept further and, in the process of doing so, realized the tremendous potential for a trolley system that served all three cities.

The three cities constitute a unique sub-area in southernmost Orange County, have a long history of working together, and complement each other in interesting ways. San Clemente has separate Amtrak and Metrolink stations, a well-established downtown area, The Pier and beaches. Dana Point has several resort hotels, Dana Point Harbor and nearby Doheny State Beach, and plans to develop a pedestrian-oriented Town Center. San Juan Capistrano has a joint Metrolink/Amtrak station, The Mission, and the Los Rios historic district – all in a compact area centered on its downtown.

An important step in this project was the establishment of a Roundtable group consisting of elected officials and business and civic leaders from each of the three cities. In the course of discussing their hopes and expectations for this project, Roundtable participants concluded at the first meeting that tourists and visitors should be the primary market for the trolley (the San Clemente Downtown Trolley Committee had reached a similar conclusion), with residents and employees as a secondary market. Subsequent outreach efforts and intercept surveys of current OCTA and Metrolink customers confirmed the wisdom of a tourist orientation for the trolley. Thus, tourist and visitor needs were the driving factor in the design of service alternatives.

What are these needs? Essentially, the trolley system would allow visitors to ride Metrolink or Amtrak to any of the stations within the tri-city area and be minutes away from beaches, historic districts/attractions, shopping, restaurants, and hotels. The trolley would provide a fun, e-ticket type way of getting around the tri-cities. More broadly, the trolley and Metrolink would be key mobility components in a marketing effort to attract visitors to an authentic Southern California experience. The Tri-City trolley dovetails very well with OCTA's past and current efforts to provide easy access to beaches from hotels and resort areas in Anaheim and elsewhere.

The primary difference among the three alternatives is the tradeoff between serving as many destinations as possible and minimizing travel time for trolley customers. Previous experience with work-oriented StationLink shuttles suggests an upper limit of 20 minutes for a shuttle trip before ridership begins to fall off dramatically, regardless of destination. Discretionary travel for pleasure may have different characteristics, particularly if branding and operation of the trolley emphasize the "fun" element of travel. Participants at the second Roundtable meeting developed a consensus on the most desirable alternative, which is presented here.

This report has been structured in accord with the suggested Go Local final report outline. After this summary section, Section 2 presents study questions guiding the conduct of this study. Section 3 describes the methodology used. Section 4 presents results of the study. Section 5 reports the findings and recommendations based on an analysis of the results. Section 6 defines proposed next steps as the three cities together with local partners and OCTA move toward implementation.

2. Study Questions

The three cities began this project as a means to answer the following questions:

- What are the mobility needs of tourists, residents, and employees within the tri-city area? How can a trolley meet these needs?
- Who is the primary market for the trolley?
- Where are the important destinations and activity centers within the three cities? How can these be linked with the Metrolink stations and with each other?
- How can the cities reduce the need for an automobile and thus reduce parking demand and improve air quality?
- Can a trolley system be designed to encourage regional tourism by providing an easy, attractive link between Metrolink stations and major destinations in the tri-city area?
- Can a trolley support land use plans in the three cities, particularly in the area of downtown revitalization?
- Can a trolley serve existing commuters and encourage new commuters via public transportation by enhancing access to and from Metrolink stations?
- Is there support among the business community, hotels, and the general public for a Tri-City trolley?
- How can the three cities coordinate their efforts to establish a Tri-City trolley?

Answers are provided in the following sections and summarized in Section 5.

3. Methodology Used

The project methodology included the following procedures:

- *Outreach to obtain information from the public and key stakeholders.* A primary means used to gain input and build consensus is the Roundtable meetings of civic and business leaders and elected officials. The first Roundtable meeting provided policy direction regarding trolley vision and purpose. The second Roundtable meeting examined alternatives and developed a consensus for the preferred alternative. The roundtables were supplemented by meetings with City groups and businesses as requested by each city, including a telephone survey of major employers in San Juan Capistrano.

- *A steering committee consisting of a representative from each City to provide day-to-day policy and operational guidance on the project and to serve as a sounding board for preliminary concepts before these were brought to the Roundtable participants.*
- *Intercept surveys with current OCTA bus and Metrolink riders.* These surveys were conducted at the San Clemente and San Juan Capistrano Metrolink stations during morning peak hours and at major OCTA bus stops during afternoon hours. Metrolink graciously provided data from recent surveys of its riders to assist in this task.
- *Peer review of other trolley operations.* The San Clemente Downtown Trolley Committee began this work, and its findings were used on this project. These were supplemented by interviews with transit officials in Laguna Beach and Santa Barbara to obtain more detailed information and lessons learned.
- *Fieldwork to test various routes, identify operational issues, and develop running time estimates for the various alternatives.* Each alternative was tested at various times of the day to account for different traffic patterns and levels of congestion throughout the day. Fieldwork results were used to refine potential routings, establish running times and calculate service hours and vehicle needs associated with various service frequencies for each alternative.
- *Use of current unit costs for OCTA contracted service to develop cost estimates for each alternative.* Trolley operations are expected to be contracted out, and costs are unknown until a contractor is selected. Use of hourly costs for OCTA contracted service is the best stand-in for estimating costs.

4. Results and

5. Findings

These two sections are presented together because the cities' approach has considered both results and findings simultaneously. At the first Roundtable meeting, stakeholders concluded that the tourist market should be the primary focus of the Tri-City trolley. Participants acknowledged that there are many other mobility needs in the three cities, but noted that trying to be all things to all people is a recipe for failure. Residents and employees will be incidentally served by the trolley but are not the primary markets. In the peer review, the Santa Barbara MTD noted that 40 percent of the riders on its downtown electric trolley are local residents, who park once and then use the trolley to travel around downtown.

Findings from the intercept surveys among current Metrolink and OCTA customers supported the idea of targeting the tourist market for a new trolley service. Metrolink respondents ranked frequency improvements as the most important change, followed by later evening service. Access to the San Clemente and San Juan Capistrano Metrolink stations does not appear to be problematic, and Metrolink respondents did not rank shuttles to Metrolink highly. OCTA local bus riders expressed little interest in either connections to Metrolink or in new neighborhood shuttles.

The project team identified several potential destinations for a trolley oriented toward tourists:

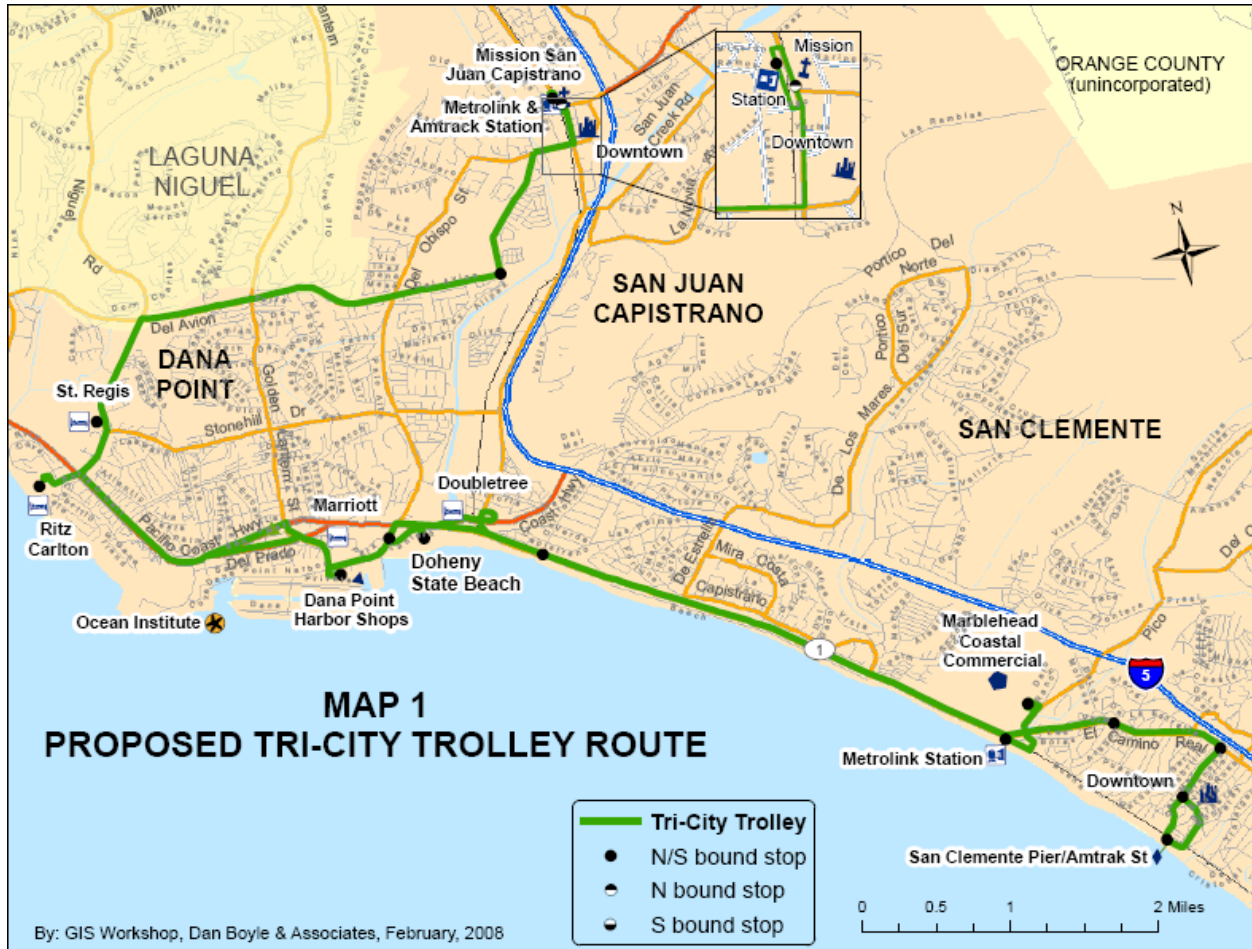
- Metrolink stations in San Juan Capistrano and San Clemente
- The Amtrak station in San Clemente (San Juan Capistrano is a joint Metrolink/Amtrak station)
- San Clemente Pier
- Downtown San Clemente along Avenida Del Mar and El Camino Real
- San Clemente State Beach
- The North Beach area in San Clemente near the Metrolink station
- Marblehead Coastal retail development, San Clemente (under construction)
- Dana Point Harbor
- Dana Point Town Center
- Doheny State Beach
- Doubletree Guest Suites on Coast Highway, Dana Point
- Hotels/Time-shares at Capistrano Beach along Coast Highway
- Marriott Laguna Cliffs Resort at Dana Point
- The Ocean Institute at Dana Point Harbor
- Ritz Carlton Hotel, Dana Point
- St. Regis Monarch Beach Resort, Dana Point
- Mission San Juan Capistrano
- Downtown San Juan Capistrano
- Los Rios Historic District in San Juan Capistrano

A primary challenge in designing a trolley route is to address the tradeoff between serving as many destinations as possible and minimizing travel time for customers. The project team developed three alternatives. The first alternative minimized travel time by designing a direct route serving major destinations. The second alternative modified the first alternative by adding service to hotels/resorts in Dana Point. The third alternative provided direct service to nearly all destinations identified as important.

Individual meetings were held with stakeholders in each of the three cities, and a consensus emerged around Alternative 2. Roundtable participants at the February 13 meeting approved moving forward with this alternative. This alternative is preferred because:

- It serves major destinations in each city while avoiding excessive deviations.
- It connects the Metrolink stations and other trip origins (e.g., hotels) with major destinations, providing direct service to important trip generators via a short, one-seat trolley ride.
- It aims for a middle ground between serving all destinations and strictly minimizing travel time.

The proposed route (see Map 1) connects Metrolink and Amtrak stations at San Juan Capistrano and San Clemente with Dana Point Harbor, Doheny State Beach, major hotels in Dana Point, the proposed Marblehead Coastal Commercial development, Downtown San Clemente, and San Clemente Pier. All destinations are within 15 minutes of a Metrolink station.



Operating Costs, Vehicle Requirements, and Estimated Ridership

Table 1 summarizes operating costs and vehicle requirements associated with the proposed trolley route. Preliminary schedules (see Appendix A) have been prepared to calculate service hours and vehicle requirements. The schedules call for service every day from 9:00 a.m. to 10:00 p.m. at a frequency of one trolley every 20 minutes until 6:00 p.m. and every 30 minutes after 6:00 p.m. The FY 2008 cost per vehicle service hour (\$38.00) for OCTA routes operated by a private contractor is used to calculate costs. Ridership is calculated on the basis of 10 boardings per service hour.

**Table 1
Operating Costs, Vehicle Requirements, and Ridership for the
Tri-City Trolley**

Element	Proposed Tri-City Trolley Route
Daily service hours	70.33
Annual service hours	25,461
Cost per service hour	\$38.00
Annual operating cost	\$968,000
Vehicles required	6
Total vehicle requirement, including spares	8
Annual ridership	254,000

Notes: Service hours are calculated from draft schedules
 Cost per service hour is the FY 2008 cost for OCTA routes operated by a private contractor
 Annual operating cost assumes service 362 days per year
 A minimum spare ratio of 20% is used to calculate total vehicle requirements
 Ridership is calculated at 10 boardings per service hour

Other Costs

Table 2 summarizes capital and other costs associated with the proposed trolley route. The near-term assumption is that the cities will lease trolley vehicles and store them at the City Yard in either (or both) San Clemente and San Juan Capistrano. The lease costs in Table 2 include two spare vehicles. The contractor will maintain the vehicles as part of its contract with the cities, so maintenance costs are not included in Table 2. Five new shelters are assumed, along with special signage at each trolley stop. Marketing materials include route brochures and take-ones provided to hotels and businesses and possibly tokens or day passes for distribution to participating hotels and retailers.

Table 2
Capital and Other Costs for the Tri-City Trolley

Element	Unit Cost	Proposed Tri-City Trolley Route
Vehicles (Leased)	\$50,000 per veh.	\$400,000
Shelters	\$25,000 apiece	\$125,000
Signage	\$100 per sign	\$2,600
Branding	\$4,000 per veh.	\$32,000
Marketing Materials		\$25,000
Coordinator Salary		\$75,000
Total One-Time Cost		\$159,600
Total Annual Cost		\$500,000

Table 3 summarizes all identified annual and one-time costs from Tables 1 and 2.

Table 3
Annual and One-Time Costs for the Tri-City Trolley

Element	Proposed Tri-City Trolley Route
Annual Operating Cost	\$968,000
Annual Capital/Other Cost	\$500,000
Total Annual Cost	\$1,468,000
One-time Cost	\$159,600

Funding Options

Funding options for the Tri-City Trolley could include:

- Passenger fares. The stakeholders agreed that the Trolley should not be free. Many downtown shuttles, including Santa Barbara’s trolley, charge 25 cents. Laguna Beach Transit’s fare is 75 cents on its Mainline routes, although Summer Festival service is free. One possibility is to combine a relatively high cash fare for infrequent users with attractively priced day passes. Innovative alternatives for distributing day passes, tokens, or other fare media are discussed below.
- City contributions. The three cities have expressed a willingness to discuss funding toward the operation of the Tri-City Trolley and to negotiate each city’s share.
- Founding partners. Chambers of Commerce, Downtown Business Associations, and others could contribute toward the trolley operation as “founding partners.” These partners would be acknowledged on all marketing material and potentially inside the vehicles as well. Other partners could be added in later years, but at a higher rate than founding partners. This is to acknowledge the critical role that private sector partners will play in the establishment of a Tri-City Trolley.
- Fare media purchase by hotels and businesses. Hotels could agree to purchase a set number of day passes annually and distribute them to their guests. Participating hotels

would be permitted to use the Trolley in their marketing and promotional campaigns. Businesses could also purchase day passes for resale and/or distribution to their customers.

- Advertising. Advertisements could be placed on the inside or outside of the trolleys and on brochures and schedules. Ads should be harmonious with the branding of the trolleys. A “traveling billboard” may not be the ideal way to brand this service.
- Co-promotions. Partners could offer reduced admission or discounts on purchases for anyone holding a valid Trolley day pass. Co-promotional partners would be listed on Trolley brochures. “In-kind” contributions do not affect the Trolley’s bottom line, but do show private sector involvement and support and encourage ridership.
- Vehicle naming rights. Each individual trolley could be named, with naming rights available for purchase. The naming rights might also include exclusive advertising on the given vehicle. The vehicle name would be prominently displayed on the inside and outside of the vehicle within the overall branding scheme established for the trolleys. The cities would retain right of approval for all design-related issues regarding advertising or vehicle naming.
- OCTA Go Local Program. Whatever local funding arrangements are eventually agreed to, the cities anticipate significant participation by OCTA in funding both capital and operating costs to help bring this project to fruition.
- CMAQ grants. CMAQ is an acronym for Congestion Mitigation and Air Quality funds. With stated purposes of enhancing the pedestrian environment and reducing automobile travel within the three cities, this project could qualify for funding. Other sources include programs and grants funded by the South Coast Air Quality Management District and Caltrans.

OCTA Go Local Evaluation Criteria

OCTA has proposed 12 criteria to evaluate results of Go Local step one efforts, as documented in this Final Report. The Cities of Dana Point, San Clemente, and San Juan Capistrano have considered these criteria in the course of this planning process. In this section, the Cities report the results of the step one process with reference to each of these criteria.

1. Local Jurisdiction Funding Commitments. In the Roundtable discussions with stakeholders, we have shared the ideas for local funding with all stakeholders. With three cities and multiple private-sector partners involved, this cannot be arranged overnight. We propose to continue to work toward this goal in the next phase of the Go Local process. Actions by the City Councils of all three cities are attached to this report in Appendix B.
2. Proven Ability to Attract Other Financial Partners. As noted in the previous section and under Criterion #1, the step one effort has identified several ways to leverage Measure M funds through public-private partnerships. It can be problematic to obtain funding commitments in advance of a Go Local funding commitment, but our potential partners have indicated support for this project and a willingness to continue participation in funding discussions with the three cities. Private-sector partners have submitted 17

letters of support for the Tri-City Trolley. These may be found in Appendix C. The cities' goal is to raise 20 percent of the total annual cost through a combination of city contributions and private sector partnerships. One benefit of the trolley is to support efforts by all three cities to strengthen and revitalize their downtown areas, although no projections of land values have been made.

3. Proximity to Jobs and Population Centers. The Tri-City Trolley proposal will create a larger pool of Metrolink riders, but is focused on off-peak, discretionary travel. The tourist and visitor market is the primary market for the trolley. This will include day trippers from elsewhere in Orange and Los Angeles Counties or from the Inland Empire, tourists staying in the tri-city area, and tourists in Anaheim and elsewhere. When these riders (who will ride primarily in off-peak hours when Metrolink train capacity is available) get off the train, they will be a short and pleasant trolley ride away from beaches, historic areas, shopping, restaurants, and hotels. This proposal also addresses a longstanding OCTA effort to provide a connection to the beach for tourists staying in and near Anaheim. Our expectation is that 90 percent of the Metrolink riders will be new to Metrolink, thus tapping a previously unexplored market.
4. Regional Benefits. The cities of Dana Point, San Juan Capistrano, and San Clemente are all served by the Tri-City Trolley. Important tourist destinations and regional activity centers within a 15-minute ride from either the San Juan Capistrano or the San Clemente Metrolink station include: Doheny State Beach, Mission San Juan Capistrano, the San Clemente Pier, downtown areas in all three cities, the Los Rios Historic District, Dana Point Harbor, the Marblehead Coastal retail development under construction in San Clemente, and several major hotels. As noted under Criteria 1 and 2 above, the cities have involved private-sector stakeholders in this process from the beginning. The letters of support show strong interest in the concept and a willingness to continue discussions regarding potential funding partnerships. More broadly, the hope is that the trolley will encourage tourists to extend their stay in Orange County because they have more places to visit within a short train and trolley ride.
5. Compatible and Approved Land Uses. The Tri-City trolley will support ongoing and planned marketing and/or revitalization efforts in all three downtown areas, and this will encourage pedestrian use. The trolley concept arose originally as part of the City of San Clemente's Downtown Vision and Strategic Plan, completed in 2005. Stops are planned to be as convenient to riders as possible, within major destinations (e.g., Doheny State Beach, Dana Point Harbor, hotels, Marblehead Coastal retail development) or immediately adjacent (e.g., Mission San Juan Capistrano, San Clemente Pier). Both Metrolink stations have bus stops within the station parking lot, although we will explore the possibility of having a trolley stop even closer to the platforms at both stations. The three cities are fully supportive of their downtown areas. Letters of support from local chambers of commerce further attest to the positive impacts expected from the Tri-City trolley.
6. Cost-Effectiveness. Table 4 below presents the requested cost effectiveness measures for the Tri-City trolley. Assumptions are included in table notes, and have been discussed in previous sections. These cost-effectiveness measures are similar to those of contracted OCTA routes, since similar assumptions are made.

**Table 4
Performance Measures for the
Tri-City Trolley**

Performance Measure	Value
Cost per new rider	\$5.78
Measure M cost per new rider	\$4.62
Total cost per passenger-mile	\$2.31
Measure M cost per passenger-mile	\$1.85
Private investment attracted per passenger-mile	\$0.23
Non-transit funding attracted per passenger-mile	\$0.46

Assumptions:

- Service hours are calculated from draft schedules
- Cost per service hour is the FY 2008 cost for OCTA routes operated by a private contractor (\$38.00). Cost is gross operating cost, exclusive of revenue.
- Ridership is calculated based on 10 boardings per service hour=254,000 annual riders
- Funding sources assumed: 80% Measure M; 10% cities; 10% private sector. Actual proportions still to be determined in Go Local step two
- Passenger-miles are calculated based on an average trip length of 2.5 miles
- Non-transit funding includes private sector and city contributions

7. **Traffic Congestion Relief.** Discussions with hotels, OCTA, and tourist-oriented attractions indicate that the tourist market in the tri-city area is not currently served by OCTA. Therefore, we assume that all trolley riders will be new to transit. Much of the travel will be newly generated trips as visitors and tourists ride Metrolink and the trolley to the tri-cities area, and so it is difficult to estimate either the reduction in daily vehicle miles of travel (VMT) or the impacts on the local street network. The purpose of this project is to attract new ridership via Metrolink and the trolley without increasing VMT. Impacts on parking will be favorable in downtown areas, particularly with the inclusion of the Marblehead Coastal retail development, where local customers can “park once” and access destinations in all three cities. No complementary congestion relief efforts are contemplated at this time, but the cities are willing to consider such efforts if a need for them emerges.
8. **Right-of-Way Availability.** No right-of-way acquisition is required for this project.
9. **Sound Long-Term Operating Plan.** This report has gone into greater detail than required on operations planning aspects such as routing, stops, and schedules. The cities are very cognizant of preparing a “shelf-ready” implementable proposal. The annual operating plan is assumed to apply, with minor changes in response to the first-year and subsequent experience, over a five-year period. The costs presented above do not factor in revenue projections. As noted earlier, the cities and hotels are exploring options to purchase day passes for distribution to hotel guests as one means of private sector participation. Innovative options such as this do not lend themselves readily to standard farebox recovery calculations. The attached council resolutions and letters of support demonstrate strong local commitments to the trolley. In step two, the cities and private-sector partners will pursue partnering agreements.

10. **Ease and Simplicity of Connections.** One of the alternatives considered by the stakeholders involved a streamlined trolley route connecting the three cities, with local circulators bringing passengers from a central stop in each city to other attractions. This was rejected because it did not provide a one-seat ride and would have required transfers. Consequently, the only transfers that will take place are between Metrolink and the trolley at the two train stations. As noted earlier, the cities are considering new stops at both stations that would be closer to the platform, but both stations have existing bus stops that are convenient. Beyond this potential improvement, the cities do not foresee a need for additional design work at the station sites. Integration of Metrolink and trolley fares will be considered in greater detail in step two, similar to existing fare and revenue-sharing agreements for StationLink service.
11. **Project Readiness.** The cities are very cognizant of preparing a “shelf-ready” implementable proposal, and have gone into considerable detail regarding routing and schedules as part of this effort. The project could easily be implemented within one year or less. The principal remaining steps are to obtain a Go Local funding agreement, agree on local funding shares among the cities and private-sector partners, develop a request for proposals to operate the service, select a contractor, and lease trolley vehicles (a lease/purchase option may be desirable). The cities will look to OCTA for expertise and assistance in the contracting and vehicle lease aspects of the plan.
12. **Safe and Modern Technologies.** Green technology would be a major selling point of the tri-city trolley. In step two, the cities will continue to explore the types of trolley vehicles that are available for lease and/or purchase. The cities are committed to selecting trolley vehicles with proven technology, reliability, and safety.

Answers to Study Questions

In section two of this report, we posed questions for this study as a guide in developing the Tri-city trolley proposal. Answers are summarized here.

- *What are the mobility needs of tourists, residents, and employees within the tri-city area? How can a trolley meet these needs?* Intercept surveys of current Metrolink and OCTA local bus users indicated little interest in shuttles to and from Metrolink stations among residents and employers. The cities shifted their focus to the tourist and visitor market. Stakeholders noted that visitors want to get to the beach and get something to eat. The Tri-City trolley can encourage tourists to use Metrolink by providing a short, attractive ride between the station and desirable tourist destinations such as beaches, restaurants, shopping, and historic districts. Stakeholders from hotels within the tri-city area noted that they receive constant requests for taxi service for local travel from their guests and view the proposed trolley as an excellent alternative.
- *Who is the primary market for the trolley?* Tourists and visitors constitute the primary market for the trolley.
- *Where are the important destinations and activity centers within the three cities? How can these be linked with the Metrolink stations and with each other?* Important tourist destinations and regional activity centers within a 15-minute ride from either the San Juan Capistrano or the San Clemente Metrolink station include: Doheny State Beach, Mission San Juan Capistrano, the San Clemente Pier, downtown areas in all three cities,

the Los Rios Historic District, Dana Point Harbor, the Marblehead Coastal retail development under construction in San Clemente, and several major hotels. A trolley route has been designed and approved by stakeholders as the best option to connect these destinations with the Metrolink stations and with each other.

- *How can the cities reduce the need for an automobile and thus reduce parking demand and improve air quality?* Providing an alternate means for getting around the tri-city area can encourage visitors to leave their cars at home and take Metrolink. Availability of parking at the Marblehead Coastal retail development can encourage local residents and those who continue to arrive via automobile to park once and use the trolley to travel to various destinations.
- *Can a trolley system be designed to encourage regional tourism by providing an easy, attractive link between Metrolink stations and major destinations in the tri-city area?* In a word, yes. By providing tourists to Orange County with easy access to an authentic Southern California experience, the Tri-city trolley can encourage tourists to extend their stay in the tri-city area or elsewhere in Orange County.
- *Can a trolley support land use plans in the three cities, particularly in the area of downtown revitalization?* The trolley proposal grew out of a visioning process for downtown San Clemente, in which attractive transportation options were recognized as a necessity in encouraging people to be downtown. San Juan Capistrano also has an active downtown with Mission San Juan Capistrano serving as a major downtown attraction. Dana Point is planning to focus on center-city development in the near future. The Tri-City trolley will support plans to strengthen and revitalize downtown areas.
- *Can a trolley serve existing commuters and encourage new commuters via public transportation by enhancing access to and from Metrolink stations?* The intercept surveys revealed little interest among commuters for a shuttle system to and from the stations. The trolley proposal is designed to attract new discretionary travel via Metrolink, primarily in the off-peak hours when capacity is plentiful.
- *Is there support among the business community, hotels, and the general public for a Tri-City trolley?* The Tri-City trolley concept has captured the imagination of stakeholders and others throughout the community. Letters of support submitted with this report in Appendix C attest to the excitement generated by the trolley.
- *How can the three cities coordinate their efforts to establish a Tri-City trolley?* The three cities have strengthened an already close working relationship throughout this project. Discussions about funding are often the test of the relationship, and the cities and private-sector stakeholders have agreed to continue these discussions and come to a mutually agreeable solution to generate local funding

6. Next Steps

A primary task for the three cities in step two of the Go Local process is to reach agreement on local funding shares among the cities and private-sector partners. As noted earlier, the cities' goal is to provide 20 percent of the total operating cost of the trolley through local sources. We anticipate continued use of our consultant in step two.

As noted earlier, this Step 1 report has explored operational issues in greater detail than required, both to allow our stakeholders to have informed discussions regarding alternatives and to make our intentions clear to OCTA. In step two, we will continue discussions with OCTA regarding operational issues and assumptions and to draw on the expertise of OCTA staff to strengthen our proposal wherever possible.

Following agreement on the local funding for the Tri-City trolley, the cities propose to work with OCTA to develop a request for proposals to operate the service. OCTA has indicated a willingness to provide assistance in this task, given its experience with contracted services. The cities would also explore options regarding lease or purchase of trolley vehicles, again using OCTA's expertise in the area of transit vehicles to assist us. The cities would also identify a site to house the trolleys, possibly at the San Juan Capistrano or San Clemente City yard or at another location to be determined.

The cities would submit a step two report at this point requesting Measure M Go Local funding for the Tri-City trolley. Upon approval, the cities would then select a contractor and lease trolley vehicles. The cities would then develop brochures and marketing materials in support of the trolley, working with its private-sector partners. Finally, the cities would begin operation of the Tri-City trolley.

The time frame for this is heavily dependent on OCTA's Go Local program structure and timelines. Summer 2009 is the expected start-up date for the Tri-City Trolley program.

With regard to funding, the three cities request a new funding in the amount \$100,000 for activities to be undertaken in Step 2 of the Go Local program, to be added to the unallocated amount from Step 1. In combining efforts, the three cities have kept their costs down for Step 1 and as such they propose the use of unexpended funds from Step 1 as the local match for Step 2 Go Local funds.

THIS PAGE INTENTIONALLY LEFT BLANK

APPENDIX A
STOPS AND SCHEDULES FOR THE PROPOSED TRI-CITY TROLLEY

STOPS

SOUTHBOUND

San Juan Capistrano Station
Alipaz & Del Avion
St. Regis
Ritz Carlton
Dana Point Harbor
Doheny Beach
Dana Point Harbor & Park Lantern
Capistrano Beach (ped. bridge)
San Clemente Metrolink Station
Marblehead
El Camino & Aragon
Avenida Del Mar & El Camino
San Clemente Community Center
San Clemente Pier/Amtrak Station

NORTHBOUND

San Clemente Pier/Amtrak Station
San Clemente Community Center
El Camino & Avenida Del Mar
El Camino & Aragon
Marblehead
San Clemente Metrolink Station
Capistrano Beach (ped. bridge)
Dana Point Harbor & Park Lantern
Doheny Beach
Dana Point Harbor
Ritz Carlton
St. Regis
Alipaz & Del Avion
Mission San Juan Capistrano
San Juan Capistrano Station

APPENDIX B
COUNCIL RESOLUTIONS FROM EACH OF THE THREE CITIES IN
SUPPORT OF THE TRI-CITY TROLLEY

**APPENDIX C
LETTERS OF SUPPORT FOR
THE TRI-CITY TROLLEY**