TransNet Independent Taxpayer Oversight Committee | Item 8
November 13, 2019

TransNet Ordinance

ITOC Responsibilities, Paragraph 7

“On an annual basis, review ongoing SANDAG system performance evaluations, including SANDAG’s “State of the Commute” report, and provide an independent analysis of information included in that report.”
Transportation Performance Monitoring

“State of the Commute” Report

- 2005 (2-page Brochure)
- 2010 (28-page report)
- 2011 (28-page report)
- 2012 (32-page report)
- 2013 (44-page report)
- 2014 (48-page report)
- 2015-2016 (15-page INFO Bulletin)
- 2017-2018 (4-page INFOBit)

Transportation Performance Monitoring

“State of the Commute Report”

- Annual report
- Provide timely reporting
- High-level summary of key performance metrics
- Focus on the data
- Serves as the basis for ITOC independent analysis
Socioeconomic Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Population</th>
<th>Employment</th>
<th>GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9.3%</td>
<td>10.4%</td>
<td>29.4%</td>
</tr>
<tr>
<td>2018</td>
<td>9.9%</td>
<td>18.4%</td>
<td>16.9%</td>
</tr>
</tbody>
</table>

Freeway Performance

Peak Period Freeway Travel

- Billions of vehicle miles
- Percent changes from year to year

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions of vehicle miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>4.4</td>
</tr>
<tr>
<td>2009</td>
<td>4.3</td>
</tr>
<tr>
<td>2010</td>
<td>5.1</td>
</tr>
<tr>
<td>2011</td>
<td>5.5</td>
</tr>
<tr>
<td>2012</td>
<td>5.9</td>
</tr>
<tr>
<td>2013</td>
<td>6.1</td>
</tr>
<tr>
<td>2014</td>
<td>6.3</td>
</tr>
<tr>
<td>2015</td>
<td>5.9</td>
</tr>
<tr>
<td>2016</td>
<td>2.9</td>
</tr>
<tr>
<td>2017</td>
<td>0.5</td>
</tr>
<tr>
<td>2018</td>
<td>0.2</td>
</tr>
</tbody>
</table>
Freeway Performance

Peak Period Freeway Delay

Travel Times on Commute Corridors

2017

2018
### North County Coastal and Inland

#### I-5 (North)

<table>
<thead>
<tr>
<th>Route</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. southbound from Oceanside</td>
<td>50 min COASTER</td>
<td>62 min COASTER</td>
</tr>
<tr>
<td>p.m. northbound from Downtown</td>
<td>61 min COASTER</td>
<td>63 min COASTER</td>
</tr>
</tbody>
</table>

#### SR 78

<table>
<thead>
<tr>
<th>Route</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. westbound from Escondido</td>
<td>19 min SPRINT</td>
<td>52 min SPRINT</td>
</tr>
<tr>
<td>p.m. eastbound from Oceanside</td>
<td>26 min SPRINT</td>
<td>53 min SPRINT</td>
</tr>
</tbody>
</table>

### North County Inland to Downtown Commute

#### I-15

<table>
<thead>
<tr>
<th>Route</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. southbound from Escondido</td>
<td>41 min 290 Rapid Express</td>
<td>50 min 290 Rapid Express</td>
</tr>
<tr>
<td>p.m. northbound from Downtown</td>
<td>42 min 290 Rapid Express</td>
<td>62 min 290 Rapid Express</td>
</tr>
</tbody>
</table>

#### I-5 (North)

<table>
<thead>
<tr>
<th>Route</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. southbound from Escondido</td>
<td>54 min COASTER</td>
<td>66 min COASTER</td>
</tr>
<tr>
<td>p.m. northbound from Downtown</td>
<td>65 min COASTER</td>
<td>66 min COASTER</td>
</tr>
</tbody>
</table>

#### SR 78

<table>
<thead>
<tr>
<th>Route</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. westbound from Escondido</td>
<td>19 min SPRINT</td>
<td>52 min SPRINT</td>
</tr>
<tr>
<td>p.m. eastbound from Oceanside</td>
<td>26 min SPRINT</td>
<td>53 min SPRINT</td>
</tr>
</tbody>
</table>
El Cajon to Downtown Commute

SR 94/125

<table>
<thead>
<tr>
<th>Time</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. westbound from El Cajon</td>
<td>24 min</td>
<td>23 min</td>
</tr>
<tr>
<td>p.m. eastbound from Downtown</td>
<td>17 min</td>
<td>16 min</td>
</tr>
</tbody>
</table>

I-8

<table>
<thead>
<tr>
<th>Time</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. westbound from El Cajon</td>
<td>26 min</td>
<td>26 min</td>
</tr>
<tr>
<td>p.m. eastbound from Downtown</td>
<td>18 min</td>
<td>19 min</td>
</tr>
</tbody>
</table>

South Bay to Downtown Commute

I-5 (South)

<table>
<thead>
<tr>
<th>Time</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.m. northbound from San Ysidro</td>
<td>23 min</td>
<td>23 min</td>
</tr>
<tr>
<td>p.m. southbound from Downtown</td>
<td>17 min</td>
<td>18 min</td>
</tr>
</tbody>
</table>
Transit Performance

Average Weekday Transit Ridership

Average Weekday Transit Passenger Miles

Transit Performance

Average Weekday Transit Passengers per Revenue Mile
Transit Performance

Top 10 Bus Routes by Ridership

<table>
<thead>
<tr>
<th>Rank</th>
<th>Route</th>
<th>Route Description</th>
<th>Transit Mode</th>
<th>2018 Avg. Daily Passengers</th>
<th>2017 Avg. Daily Passengers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rapid</td>
<td>201/202 UTC Transit Center - UC San Diego</td>
<td>Rapid Bus</td>
<td>6,742</td>
<td>8,546</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>La Mesa to Downtown</td>
<td>Local Bus</td>
<td>7,673</td>
<td>8,385</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>Downtown San Diego to Iris Avenue Trolley</td>
<td>Local Bus</td>
<td>7,519</td>
<td>7,883</td>
</tr>
<tr>
<td>4</td>
<td>Rapid</td>
<td>215 SDSU - Downtown</td>
<td>Rapid Bus</td>
<td>6,672</td>
<td>7,147</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Kaiser Hospital/Grantville Trolley to 24th St Trolley</td>
<td>Local Bus</td>
<td>6,141</td>
<td>6,436</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>UCSD Medical Center/ Hillcrest to Euclid Trolley</td>
<td>Local Bus</td>
<td>5,000</td>
<td>5,447</td>
</tr>
<tr>
<td>7</td>
<td>Rapid</td>
<td>235 Downtown San Diego to Escondido Transit Center</td>
<td>Rapid Bus</td>
<td>5,825</td>
<td>5,448</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>UTC VA Medical Center to Downtown</td>
<td>Local Bus</td>
<td>5,572</td>
<td>5,274</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>SDSU Transit Center to 8th Street Trolley</td>
<td>Local Bus</td>
<td>4,812</td>
<td>4,989</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>UCSDVA Hospital to Fashion Valley Transit Center</td>
<td>Local Bus</td>
<td>4,282</td>
<td>4,927</td>
</tr>
<tr>
<td></td>
<td>N/A</td>
<td>Skyline Hills to San Diego State University</td>
<td>Local Bus</td>
<td>6,671</td>
<td>7,097</td>
</tr>
</tbody>
</table>

* Route 11 was split into two routes in 2018 - Route 11 (Skyline to Downtown) and Route 12 (Downtown to SDSU)

TransNet-funded Transit Performance

Regional Bus Transit Ridership

Weekday Boardings (thousands)

- Rapid 201/202
- Rapid 204
- Rapid 215
- Rapid 235
- Rapid 237
TransNet-funded Transit Performance

Regional Bus Transit On-Time Performance

Weekday average percentage on time

- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018

Legend:
- Rapid 201/202
- Rapid 204
- Rapid 215
- Rapid 235
- Rapid 237

TransNet-funded Transit Performance

Regional Bus Transit Productivity

Weekday average passengers per hour

- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018

Legend:
- Rapid 201/202
- Rapid 204
- Rapid 215
- Rapid 235
- Rapid 237
TransNet-funded Transit Performance

Regional Bus Transit Load Factor (All Day)

Weekday average percentage of seats occupied

- Rapid 201/202
- Rapid 204
- Rapid 215
- Rapid 235
- Rapid 237

TransNet-funded Transit Performance

Regional Bus Transit Farebox Recovery

Weekday average farebox recovery

- Rapid 201/202
- Rapid 204
- Rapid 215
- Rapid 235
- Rapid 237
ITOC Review Process

- Review data contained in 2017-2018 State of the Commute Report
- Conduct independent analysis
- Present analysis and findings within ITOC Annual Report

ITOC Review Process - Considerations

- Conduct analysis with ITOC members
- Utilize consultant services to assist with analysis
  - Would draw on ITOC’s annual budget
- Auditor analysis available every three years
- Staff available to answer questions on data availability, data sources, data methodology, etc.
- Additional transportation and socioeconomic data available upon request
Next Steps

- ITOC accepts the 2017-2018 State of the Commute Report
- ITOC to conduct an independent analysis
- Provide input to staff on report scope, format and process
- Input received from ITOC will be used to inform the development of other performance monitoring reports
EARLY ACTION PROGRAM

• $200 million in TransNet funds
• Builds 77 linear miles of bikeways
• 70 of 77 miles either open or under design
• 8.8 miles open to date
• 3/4 of investment in City of San Diego
BIKEWAY PROGRAM STATUS

70 of 77 Miles Open or Under Development

- July 2019:
  - PE/Environmental: 3.8
  - Final Design: 45.4
  - Construction: 11.6
  - Open To Public: 8.8

- October 2019:
  - PE/Environmental: 1.7
  - Final Design: 43
  - Construction: 16.1
  - Open To Public: 8.8
RECENT PROGRESS

COASTAL RAIL TRAIL

ROSE CREEK BIKEWAY
COASTAL RAIL TRAIL:
ROSE CREEK BIKEWAY

GObyBIKEsd.com

COASTAL RAIL TRAIL:
ROSE CREEK BIKEWAY

GObyBIKEsd.com
COASTAL RAIL TRAIL: ROSE CREEK BIKEWAY

- Two miles in City of San Diego
- Construction is 75% complete
- Expected to open to public in October 2020

INLAND RAIL TRAIL: COUNTY OF SAN DIEGO AND CITY OF VISTA
INLAND RAIL TRAIL: COUNTY OF SAN DIEGO AND CITY OF VISTA

• Three miles in County of San Diego, cities of Vista and Oceanside
• Construction is 80% complete
• Expected to open to public in December 2019

CITY OF SAN DIEGO URBAN BIKEWAYS

• Opened bids from contractors for Uptown Bikeways Fourth and Fifth Avenues in September 2019
• Pershing, Imperial Avenue, and Bayshore Bikeway Barrio Logan continue to be under review
• Central Bikeway under Public Works review
NEXT STEPS

• Request state funding allocation for Bayshore Bikeway Barrio Logan construction

• Award construction contract for Uptown Bikeways Fourth and Fifth Avenues

• Continue progress on 24 EAP projects in FY 20 Program Budget

• Provide regular program status updates
Overview of the Financial Markets and Quarterly Finance Report as of September 30, 2019

ITOC Item 13
November 13, 2019

Key updates

**Commission:**
Senior Lien - AAA ratings Affirmed
Subordinate Lien – AA ratings Affirmed
Junior Lien – Upgraded A to A+

**SR 125:**
SR 125 Toll Road – Upgraded A- to A
Key updates

**SANDAG:**
Successfully closed on $335M GANS
- Orders placed 51 investors for $3.1B
- Lowered stated yield to 1.91%
- Expected yield is 1.57%
- Financing for Mid-Coast is complete

Key updates

**Interest Rate Swaps:**
- Mark-to-Market is in a negative position
- However, performing as intended and no reason to terminate swaps

**Investment Portfolio:**
- Currently $1.24 billion in investments
- Yield of 2.03%, expected to drift lower
Local Economy and Sales
Tax Revenue Update

The region’s economy remains strong

Total employment

Unemployment rate

Employment by industry
Change Jan 2010- Sept 2019

Venture capital investment

Source: BLS

Source: EDD

Source: BLS

Source: PwC/CB Insights MoneyTree™
Possible signs of economic weakness

**Total employment**

(YOY Percent Change)

- Jan-16: 2.7%
- Mar-16: 2.1%
- May-16: 2.3%
- Jul-16: 1.6%

Source: BLS

**Residential permits**

- 2010-2018 average (7,700)
- 12,000 needed annually to support population growth

Source: Real Estate Research Council of Southern California

**Average hourly wages**

(2018 $)

- Sep-15: $29.8
- Sep-16: $28.4

Source: BLS

**Median house prices**

- Sep-15: $400,000
- Sep-16: $500,000
- Sep-17: $600,000
- Sep-18: $700,000
- Sep-19: $800,000

Source: California Association of Realtors

**Sales tax revenue collection**

(Calendar Department of Tax and Fee Administration—Methodology change)

- Fiscal years 2016-2020:
  - 2016: $294.5 M
  - 2017: $301.5 M
  - 2018: $305.5 M
  - 2019: $312.3 M
  - 2020: $312.3 M

- 2010-2018 average (7,700)
Sales tax revenue by sector
2018 Q2 to 2019 Q1

<table>
<thead>
<tr>
<th>Sector</th>
<th>Millions $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Retail</td>
<td>$85</td>
<td>+1%</td>
</tr>
<tr>
<td>Transportation</td>
<td>$63</td>
<td>+3%</td>
</tr>
<tr>
<td>Business To Business</td>
<td>$61</td>
<td>+5%</td>
</tr>
<tr>
<td>Restaurants</td>
<td>$44</td>
<td>+3%</td>
</tr>
<tr>
<td>Construction</td>
<td>$28</td>
<td>0%</td>
</tr>
<tr>
<td>Other food</td>
<td>$17</td>
<td>+2%</td>
</tr>
</tbody>
</table>

Impact of past recessions on TransNet revenues
(Year of collection dollars)

- 1991 recession: GDP -1.4%
- 2001 recession: GDP -5.1%
- Great recession: GDP -0.3%

- 1991 recession: 4 years to recover
- 2001 recession: 6 1/2 years to recover
- Great recession: 6 years to recover
Current *TransNet* forecast (2016-2026)
(Year of collection dollars)

Historical data                   Forecast

Forecast +/-5%
Recession scenario

![Graph showing fiscal years from 2016 to 2026 with historical data, forecast, and 1991-like recession scenarios.]

6 years to recover

Forecast +/-5%

Historical data | Forecast | 1991 like recession

Summary

+ Low unemployment
+ Resilient sectors
+ Record employment levels

- Employment growth slowing
- Housing market slowing
- Global/national recession risks