

Rochester Transit Development Plan

FINAL PLAN EXECUTIVE SUMMARY
DECEMBER 2022

EXECUTIVE SUMMARY

The Transit Development Plan (TDP) is the City of Rochester's guiding document for managing and improving all aspects of Rochester Public Transit's (RPT) services over a five year-period. The plan is focused on 2023-2027 and covers fixed-route and paratransit services, capital assets and technology, fares and funding, and current and upcoming transit system needs like planning for Link bus rapid transit (Link) and integrating electric buses into the fleet. While this plan considers the service impacts of Link and how fixed-route bus service will need to change once this service starts, this plan is primarily focused on fixed-route and paratransit service since there is a separate planning and design process underway focused on Link. Rochester's last TDP was completed in 2017, and this plan builds upon the analysis, findings, ideas, and recommendations from that plan. This plan also considers changes in context since 2017, including development patterns and changes in travel patterns resulting from the COVID-19 pandemic.



COMMUNITY PROFILE

RPT analyzed population and land use data to evaluate how Rochester has changed since the last TDP in 2017 and how well transit is currently serving community transportation needs. This analysis found that Rochester is growing, becoming denser and more diverse, and continues to be an employment hub for the region. As of 2019, there were approximately 91,000 jobs located in Rochester, a 7.4 percent increase from 84,700 jobs in 2013 (the year of data used in the previous TDP). Having such a high concentration of jobs presents both opportunities and challenges for transportation. As the number of people working in Rochester grows, so will the need for alternatives to single-occupancy vehicle commutes.

Review of relevant plans demonstrated that Rochester is expected to experience growth—in population, employment, and geographic extent—over the next few decades. Rochester’s transit system has an important role to play in facilitating and shaping this growth. While attention should be given to growth patterns downtown and along major corridors, travel patterns will be changing throughout Rochester and the transit system will need to balance speed of service with coverage and access.



PROVIDER PROFILE

RPT is a small urban transit agency located in Rochester, Minnesota and is one of five small urban transit systems in the state. RPT operates 32 fixed bus routes from approximately 5:00 AM–10:30 PM on weekdays and 6:30 AM–7:30 PM on weekends and holidays. Riders who have disabilities and cannot use fixed-route service are eligible to apply to use Zumbro Independent Passenger Service (ZIPS), which provides origin-to-destination paratransit service. To use ZIPS, riders must schedule their trip at least one day in advance. ZIPS operates 5:00 AM–10:30 PM on weekdays and 6:30 AM–7:30 PM on weekends and holidays (times represent the first and last pick up of the day).



FIXED-ROUTE SERVICE AND ROUTE PROFILES

RPT evaluated the performance of its fixed-route bus services both as a network and for each individual route. The data from this evaluation established a foundation for recommending service improvements. The evaluation found that RPT’s fixed-route bus service has multiple high productivity routes and reaches most Rochester residents. In addition to system strengths, the fixed-route evaluation identified opportunities for improvement, such as making routes operate in both directions and easier to understand as well as improving on-time performance.



PARATRANSIT PROFILE

ZIPS is a vital transportation service for Rochester community members with disabilities who cannot use fixed-route service. In 2021, 23,371 rides were provided on ZIPS. ZIPS annual total ridership was decreasing before the COVID-19 pandemic and continued to decrease during the pandemic; ridership returned to pre-pandemic levels in 2021. While performance has improved in several areas over the last five years, ZIPS is still not meeting some key performance goals such as on-time arrival. Total operating costs for ZIPS have declined but costs per trip have increased slightly.

PEER ANALYSIS

RPT was compared to five similar transit providers in the United States using data from the National Transit Database (NTD). The five peer agencies selected by for this analysis included:

- » **Duluth Transit Authority** – *Duluth, MN*
- » **Kalamazoo Metro Transit** – *Kalamazoo, MI*
- » **StarTran** – *Lincoln, NE*
- » **SolTrans** – *Solano County, CA*
- » **Connect Transit** – *Bloomington-Normal, IL*

In general, RPT fixed-route service is efficient but was slower than peers to recover from the COVID-19 pandemic. RPT generally performed similarly to its peers in terms of fixed-route and paratransit ridership productivity, and better in terms of financial efficiency in 2019 before the pandemic. In 2021, after impacts from COVID-19 reduced ridership and fare revenue, the transit system compared less favorably to its peers.

MARKET ANALYSIS

RPT analyzed demographic and socioeconomic characteristics to identify areas within Rochester where transit service is expected to be most successful for all-day service and peak-only service, respectively. Key destinations for travelers, and modeled travel demand were also considered. Characteristics evaluated included:

- » Population and job density
- » Indicators of higher propensity to use transit such as residents from low-income, zero-car, and one-car households
- » Destination anchors and points of interest including schools, colleges and universities, healthcare facilities, and retail hubs, which are mapped alongside demographic and socioeconomic indicators

Generally, travel patterns and forecasted transit demand aligned with the locations of major Rochester employers (Mayo Clinic, IBM, City of Rochester, Olmsted County), suggesting a strong market for commuter services.

Based on the regional travel demand model, as Rochester grows, jobs are expected to continue concentrating downtown, while population continues to grow along the city boundary. Providing transit access to some major retail and service destinations is challenging due to their locations on the periphery of the city and the limited access nature of some roadways serving them.

Overall, the market analysis identified the greatest demand for transit in downtown Rochester. Other, harder to serve locations throughout the city—areas near Meadow Park, Slatterly Park, Homestead Park, Cimarron Park, Northgate Park, and Crossroads Shopping Center—were also identified as key locations for transit demand.

FARE ANALYSIS

Analysis of RPT's current fare structure and projected ridership found that the current fare structure should be adequate to support the agency's operations over the five-year period of this plan. At the same time, the City has room to implement new fare products that may help to achieve other City policy goals or provide additional convenience for riders.

A detailed assessment was conducted of RPT's current fare policies, practices, and infrastructure and compared those existing conditions to industry best practices and RPT's peer agencies. RPT also analyzed potential fare structure alternatives and identified opportunities to build on RPT's fare policies, practices, and infrastructure.

RPT has an opportunity to go beyond this baseline of supporting planned operations to build on its existing fare policies, practices, and infrastructure to reflect the agency's guiding principles for fare structure and best practices used by peer agencies. RPT can leverage this opportunity by evaluating and potentially piloting fare structure alternatives such as a low-income fare project, new fare products like a single- or seven-day pass, and implementing mobile ticketing for fixed-route and paratransit service.

PUBLIC AND STAKEHOLDER ENGAGEMENT PHASE 1

RPT conducted broad engagement efforts from September–November 2021 to collect feedback from as wide a cross-section of the Rochester community as possible as well as elected officials and City partners. RPT’s goal for this first phase was to determine what aspects of its service the community saw as working well, where it could be improved, and most importantly, what the community’s priorities were for transit service in Rochester. From this feedback, RPT developed guiding principles that it could apply to draft recommendations that it presented to the community in Phase 2 of public engagement for the TDP.

RPT gathered more than 700 survey responses, conducted multiple focus groups, and spoke with people at community events. Residents participated in a community working group and acted as liaisons to their community and gathered feedback and brought it back to RPT.

Common themes that emerged throughout Phase 1 of the public and stakeholder engagement process included:

- » The quality of bus operators’ customer service was frequently cited as RPT’s strengths by riders
- » Riders and decision-makers both support a local tax to increase transit funding (68 percent of survey respondents were supportive of a local tax to help pay for transit services)
- » Respondents commonly identified increased frequency, extended service hours, and the need for crosstown connections as priorities for fixed-route service improvements
- » Respondents said snow clearance and ADA accessibility considerations were common barriers to accessing transit service
- » Feedback about customer information and customer experience pointed to improvements for information at stops and onboard vehicles, information about fares, and improvements to transit technology

STRENGTHS, CHALLENGES, AND OPPORTUNITIES

Through a detailed analysis, high-level themes emerged of what RPT does well, where they could improve, and what opportunities or strategies might be most useful to make transit work better for Rochester.

RPT’s system had multiple strengths at the time of the plan, even with the impacts of COVID-19 on ridership and staffing. Aspects of RPT services were considered a strength if it was commonly mentioned or received high satisfaction ratings in surveys and other feedback or if it compared favorably to the performance of RPT’s peer agencies or national trends in transit. The strengths identified included:

- ✔ Most Rochester residents live within walking distance of a bus stop
- ✔ RPT services are accessible to those most in need of transit
- ✔ RPT serves locations where people travel most
- ✔ RPT services are highly productive
- ✔ RPT receives high marks for customer service and rider experience

RPT also found multiple areas for improvement in its analysis of system performance compared to the goals set in the last TDP. RPT also heard multiple key themes regarding aspects of service where satisfaction was low in feedback from the general public and project partners. Challenges identified with RPT service and facilities included:

- ⊕ Buses don’t operate frequently enough
- ⊕ Buses struggle with on-time performance
- ⊕ Service can be hard to understand
- ⊕ Service doesn’t serve trips between destinations outside of downtown well
- ⊕ Improved facilities and maintenance are needed at bus stops
- ⊕ There is not enough easy information available about the bus

Based on these strengths and challenges, RPT has developed opportunities to improve its service. These included:

- » Make bus route simpler
- » Combine select routes
- » Adjust hours of operation and frequency
- » Explore alternative service types
- » Simplify service schedules
- » Improve bus stop waiting environments
- » Expand customer communications
- » Implement systems or methods that result in higher quality data
- » Continue to improve on-time performance
- » Adopt communication and fare payment technology

PUBLIC AND STAKEHOLDER ENGAGEMENT PHASE 2

In Spring of 2022, RPT conducted the second round of public and stakeholder engagement, during which 113 survey responses were gathered that focused on gathering responses to specific ideas for improving RPT bus service. RPT hosted three public open houses—two virtual and one in-person. The Community Working Group (CWG) met another three times with the study team and engaged with their communities on several questions about the service ideas and piloting microtransit in Rochester.

The following were some of the common themes from the second phase of engagement:

- » General support for the initial service ideas
- » Need for service or more service (such as night service) to major Rochester destinations including shopping areas, employment hubs, and tourist stops
- » When prioritizing routes for increased frequency, it's most important to consider the route's ridership, destinations served, and whether the route serves more people with low-incomes
- » Overwhelming consensus that timing and frequency of service are just as important as the route itself
- » Overall support for the microtransit idea, but respondents had questions and needed additional information about how it would function

MISSION, GOALS, AND PERFORMANCE MEASURES

RPT, like most other organizations, uses a statement of the agency mission, goals, and performance measures to guide its work both day-to-day and over the long-term. RPT regularly reviews and updates these foundational documents with the TDP. Regular updates help to keep RPT responsive to community needs and helps the agency to continually push to improve.

The updated mission statement for RPT is:

RPT's mission is to provide an efficient and accessible public transit system that is convenient, safe, reliable, cost-effective, and adaptable and supports City of Rochester's strategic priorities for affordable living, quality services for quality living, and economic vibrancy and growth management.

The updated goals for RPT, not listed in order of priority, are:

- » **Service Quality:** Provide high-quality transit service that attracts and retains riders
- » **Equity:** Advance the City's equity goals through transit service and access
- » **Accessibility:** Provide transit service that is accessible to all riders
- » **Environmental Sustainability & Resiliency:** Invest in fleet and infrastructure improvements that promote environmental sustainability and resiliency; support City goals for increasing the share of people who travel by means other than driving alone
- » **Community Connectivity:** Provide convenient connections for people to reach important community destinations by transit
- » **Fiscal Sustainability & Efficient System Management:** Operate a safe, efficient, and fiscally sustainable transit system

FIXED-ROUTE SERVICE RECOMMENDATIONS

RPT developed four service scenarios, one with transit service similar to current levels (cost-neutral) and one with expanded service for both before and after bus rapid transit (BRT) service starts. These scenarios were based on public and stakeholder feedback regarding the initial service ideas. In general, recommended changes to routes attempted to streamline service routes; standardize schedules (i.e., no more differences between weekday and evening/weekend routes); run service for longer periods of time; and connect routes to one another (or interlined). As a result, some destinations are served differently, and some new routes are proposed. The service scenarios can be summarized as follows:

- » In the **cost-neutral scenarios**, improve evening and weekend bus service, reduce the need to transfer downtown by providing three sets of newly interlined routes that create north-south and east-west connections, and increase frequency on two routes
- » In the **expansion scenarios**, which builds upon the cost-neutral scenario (i.e., all changes are in addition to the changes proposed in the cost-neutral scenario), two express routes, two crosstown routes, and two local routes are added, while four additional routes see improvements in the level of service
- » **Post-BRT** service plans adjust service along 2nd Street, rerouting the majority of routes to avoid congestion once Link is operational

The cost-neutral scenarios could be implemented while keeping RPT’s operating budget at or close to what it is now. These scenarios were built under the assumption that RPT would not have new funding resources to implement service changes and keep RPT’s annual service hours within two percent of its current level—112,340 hours service hours as of June 2022.

The expansion scenarios include recommended service changes that would grow RPT’s service hours by up to 24 percent, driven by the addition of six new routes as well as improvements to level of service (span and headways) on other routes.

Increased fare revenue from more riders on RPT’s existing routes or another source of local funding will be needed to implement the service recommended in the expansion scenario.

Fixed-route ridership forecast

Based on the proposed recommendations, RPT’s ridership is expected to increase compared to baseline ridership. The average weekday ridership is estimated to increase by 18 percent, while weekend ridership is estimated to increase eight percent. To understand the impact of proposed service changes, ridership estimates were developed for the post-BRT expansion scenario, which includes the full breadth of recommendations. Critically, implementation of just the cost-neutral scenario, or only some of the service changes proposed in the expansion scenarios will affect these ridership estimates.

Title VI Analysis

A Title VI Service Equity Analysis quantifies the impact of service changes and on non-white and low-income residents. A Title VI Service Equity Analysis is focused on changes to service and does not provide insight regarding the equity of existing service. The Federal Transit Administration (FTA) requires agencies in urbanized areas with a population greater than 200,000 and more than 50 fixed-route vehicles in peak service to complete a Title VI Service Equity Analysis. While Rochester does not meet either of these thresholds, RPT conducted an equity evaluation to further their commitment to ensuring that the benefits and burdens of proposed changes are shared equitably.

The equity evaluation completed on the cost-neutral and expansion scenarios ensures that changes in RPT service do not adversely impact non-white and/or low-income populations, comparing the percent service change across these population groups. While the increase in service expected for non-white and low-income groups is slightly below the expected increase for white and non-low-income groups, (1.3 and 5.4 percent, respectively), the resulting comparison ratios are both higher than the threshold of

0.80. Therefore, this analysis identifies no disproportionate burdens to non-white or low-income populations as a result of these proposed service changes.

Microtransit

Introducing microtransit in Rochester is recommended for locations where people need transit service, but population densities are lower, making it is less effective to serve those areas with fixed-route transit service. While there are several areas within Rochester that would likely benefit from microtransit, it is recommended to initially pilot microtransit in one area of Rochester. This will allow RPT to make adjustments to this new type of service and make sure it is functioning well before deploying it in additional locations. RPT will need to conduct additional investigation into specifics of the pilot service before launch.

PARATRANSIT RECOMMENDATIONS

Between 2017 and 2021, ridership on ZIPS decreased from roughly 32,000 trips to 23,400, or about 27 percent. In addition to COVID-19, issues with on-time performance, reliability, and service providers for people with disabilities starting their own transportation programs most likely precipitated this decline. Addressing ZIPS reliability and communications will be key to regaining ridership.

Based on recent trends in ridership, and assuming implementation of the proposed improvements, RPT expects ridership to return at a rate of roughly five percent growth per year. At that rate, the current ZIPS annual ridership is expected to grow from the 2021 annual ridership of 23,370 to 38,067 by 2031. To meet that demand, 15 paratransit vehicles will be needed by 2031. Funding strategies to meet these capital needs are discussed in the TDP Financial Plan. In the short- and long-term as ZIPS service grows, adopting transit technology such as trip scheduling, mobile booking, and real-time bus tracking, along with improved customer communication, can improve the rider experience and functionality of the ZIPS system.

Based on analysis of ZIPS system performance and rider feedback, RPT is recommending adoption of four performance goals, implementation of multiple improvements to address these issues, and investment in various capital assets.

CAPITAL AND ASSETS PLAN

RPT owns a significant set of capital assets, all of which require financial resources to maintain and replace. As RPT's assets age and the agency plans for future expansions of service, its vehicles, facilities, and other infrastructure need to be maintained and eventually replaced to keep them in a state of good repair and to keep RPT's service running smoothly.

RPT examined the state of these assets and identified the likely necessary costs to maintain the system in a state of good repair over the next 10 years, as well as the costs associated with system growth. As RPT expands their service offerings through the implementation of the BRT system, a possible microtransit pilot, and transitioning more of its bus fleet to battery electric, long-term capital needs are likely to increase as well.

Some of the key findings from the capital and assets plan include:

- » RPT has adequate vehicles for planned service, but many are beyond their useful life
- » RPT operations and maintenance facilities need additional capacity for system growth
- » Additional transit amenity infrastructure is desired by riders
- » Link will require many new capital assets
- » Capital assets required for microtransit pilot will depend on operational decisions
- » Zero-Emission Transition Plan will guide RPT's fleet transition

ORGANIZATIONAL AND STAFFING PLAN

RPT requires dedicated staff to manage service, operations, and planning. The City of Rochester currently employs a team of six staff to manage the system as well as a contracted operator that manages day-to-day delivery of transit

service. Since RPT contracts with a third-party for service, the agency's full-time staff largely assist with long-term planning, administration, and financial management. RPT conducted a national and peer agency benchmarking analysis to determine how RPT's staffing compares with other agencies. That analysis showed that RPT's staffing levels are low for the amount of service the agency operates relative to peer agencies and national averages. RPT should increase its current staffing levels by adding administrative staff and dedicated facility maintenance staff. Additionally, RPT will need to increase staffing levels for proposed growth to the fixed-route system. RPT should use the labor ratios as a guideline for estimating future staffing needs. RPT should take the following actions related to staffing for current fixed-route and demand response service:

- » Hire two to three additional administrative staff in the near-term to support its current service
- » Add two to three facility maintenance staff in the near-term to support its current service; RPT should evaluate whether it is possible to contract this function out
- » Account for hiring additional staff for future service growth scenarios and should use the labor force ratios in this analysis as a guideline to budget for that growth
- » Hire additional administrative staff as service expands. The proposed fixed-route service growth scenario in this TDP would require five to seven additional administrative staff

FINANCIAL PLAN

As a steward of public funds, RPT's overall financial goal is to ensure that the system is providing quality transit services meeting the needs of the community while keeping the system financially sustainable—meaning that costs do not exceed revenues. As part of the TDP, RPT analyzed system costs and revenues and evaluated how they will likely change over the next five years to create an overall picture of the system's financial health, including both capital and operating expenses and revenues

throughout the life of the plan.

Based on projected changes to revenues and costs over the five year period of this plan, RPT expects operations of its services to remain financially sustainable, even with the impacts of COVID-19 on ridership. Challenges will potentially arise in funding for capital improvements as the City of Rochester has mainly sourced local matching funds for these projects from directly generated revenues like fares. RPT's farebox recovery rate in 2022 (18 percent) is not high enough to replenish transit capital funds; however, RPT expects this situation to improve based on ridership growth observed in 2021 and 2022.

RPT receives operating revenues from three main sources—Federal operating grants, state operating grants, and directly generated revenues like fares or advertising on buses. Operating grants from the FTA and Minnesota Department of Transportation (MnDOT) cover roughly 80 percent of operating costs each year. The remaining 20 percent must be covered by directly generated revenues, meaning RPT must have enough ridership to support the services it provides.

RPT expects that it will have a small operating shortfall in 2022, largely due to ridership levels that are still in recovery from the impacts of COVID-19. Federal funding, specifically for transit operations, from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan (ARP) Act will offset this shortfall. Based on growth trends in ridership observed over 2021 and 2022, RPT expects that it will not have operating budget shortfalls for its regular fixed-route and paratransit services for any of the remaining years. RPT projects that by 2027, based on expected changes to costs and revenues, the agency will have an operating surplus that can then be reinvested into capital needs such as bus replacements or facilities improvements.

IMPLEMENTATION PLAN

The TDP will be implemented over a period of five years (2023-2027). While there are many

variables and unknowns over this five year period (most notably the rate of ridership rebound, transit funding, and initiation of Link operations), RPT developed a preliminary schedule to guide plan implementation. This schedule assumes full implementation of service expansion over the plan's five-year period as ridership continues to recover and resources allow.

Year 1

Year 1 will focus on the introduction core routes (Routes 102, 204, 409, 516, and 519) in replacement of the existing evening, weekend, and holidays routes (21, 22, 23, 24, 25, and 26). This will include:

- » Modifications will be made to Routes 102, 204, and 409
- » In coordination with the modifications to Route 204, modifications will also be implemented for Routes 202 and 217, including the discontinuation of Route 217
- » In coordination with modifications to Route 409, Route 418 will be discontinued
- » Route 519 will be introduced as a modified, interlined route of existing Routes 309 and 411
- » Route 307 will be modified in coordination with implementation of Route 519
- » Route 516 will be introduced as an interlined route of existing Routes 101 and 206
- » Route 103 and Route 116 will become peak-only routes
- » With the introduction of the core routes (102, 204, 409, 516, and 519), existing Routes 21, 22, 23, 24, 25, and 26 will be discontinued

Year 1 will also focus on the introduction of new routes. This will include Route 538, which is an interlined route of existing Routes 408 and 203, and Route 570X, which will serve the new 75th Street Park-and-Ride. With the introduction of Route 570X, service will be reduced on Route 560X.

Year 2

Year 2 will focus on simplifying existing routes, including Route 103, 116, 306, 314, 412. Depending on the ridership of Route 419, Route 421 will be introduced in Year 2 or 3.

Year 3

Year 3 will depend on the availability of additional resources and will introduce two new routes in southern Rochester, Route 208 and Route 512. Route 205 will be modified with the introduction of Route 208 and will become a peak-only route.

Year 4

Link will be launched in Year 4, and post-BRT routing downtown will be implemented for all routes. If additional resources are available, Route 511 will be introduced in northern Rochester.

Year 5

Year 5 will depend on the availability of additional resources and will add additional frequency on high-ridership routes and will introduce service to the Rochester airport (Route 350X).

Transit Service Adaptive Management Plan

In March 2020, RPT implemented multiple service changes in response to orders from the State of Minnesota, Olmsted County health officials, and changing ridership demand resulting from the COVID-19 pandemic. The selective suspension of service sought to balance the transportation needs of essential workers with budgetary restraints and a lack of demand. Today, RPT's operation largely resembles pre-COVID-19 service; however, the pandemic continues to evolve, and the possibility of new public health emergencies makes it prudent to plan for modified operations.

Any future plan for modified operations should prioritize routes providing core service (Route 102, 204, 409, 516, and 519), in other words the routes that operate during weekdays, evenings, and weekends. Additional priority should go to routes that operate in areas with high concentrations of likely transit users (Routes 103, 306, 307, 314, 412, 413, 419¹, and 560X).

¹ In the event Route 421 is operational at the time of a service modification, the cost-neutral alignment of Route 419 should be operated to provide enhanced coverage.

