



## ANAHEIM TOURISM IMPROVEMENT DISTRICT (ATID ) TRANSPORTATION COMMITTEE REPORT

### City of Anaheim DEPARTMENT OF PUBLIC WORKS

**DATE: SEPTEMBER 24, 2018**

**FROM: DEPARTMENT OF PUBLIC WORKS**

**SUBJECT: REQUEST FOR APPROVAL OF RECEIVE AND FILE  
PRELIMINARY ATID REVENUES AND EXPENDITURES  
UPDATE, CONSIDERATION OF SCHEDULING A MINIMUM OF  
THREE ATID TRANSPORTATION COMMITTEE MEETINGS A  
YEAR AND CONSIDERATION OF APPROVAL OF REQUESTS  
FOR ATID TRANSPORTATION COMPONENT FUNDS IN  
AMOUNTS TO BE DETERMINED BY THE COMMITTEE**

#### **RECOMMENDATION:**

That the ATID Transportation Committee, by separate Motions,

- A. Receive and file Preliminary ATID Transportation Component Revenues and Expenditures Update;
- B. Consider scheduling a minimum of three ATID Transportation Committee Meetings a year; and,
- C. Consider approval of ATID Transportation Component Funds to support the following in amounts to be determined by the Committee:
  1. Provide funding for improvements in The Anaheim Resort to widen the south side of Katella Avenue to add a fourth lane adjacent to the Anaheim Convention Center and install Intelligent Transportation System (ITS) improvements such as signal and camera detection equipment (\$2.3 million);
  2. Provide funding for signs in The Anaheim Resort, including upgrading existing signs, installation of new signs, establishment of sign maintenance and operation agreements and related sign project management activities (\$5.6 million); and,
  3. Provide funding requested by the Anaheim Transportation Network (ATN) Board towards the acquisition of 40 Zero Emission Buses for Anaheim Resort Transportation operations (\$2,511,000).

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### **BACKGROUND:**

In 2010, the City of Anaheim in collaboration with the Anaheim/Orange County Visitor and Convention Bureau (now known as Visit Anaheim) and a consortium of hoteliers formed the Anaheim Tourism Improvement District (ATID) for the promotion of local tourism and convention-related programs as well as transportation improvements within The Anaheim Resort and the Platinum Triangle. The ATID places a two percent assessment upon all the hoteliers within the ATID boundaries. Of the revenues collected from the ATID assessment, 75 percent of the funds are directed to Visit Anaheim and are dedicated to marketing, promotion and related activities that seek to bolster the City's tourism and Convention industry. The remaining 25 percent of the funds are placed in a separate transportation fund that is intended to be dedicated to transit or transportation improvements within the ATID boundary, including projects that assist with the movement of people in and around The Anaheim Resort and the Platinum Triangle.

Per the ATID Ordinance No. 6174, the ATID Transportation Fund is managed by a three member committee that identifies funding priorities and approves expenditures. The committee is made up of representatives from the following entities: 1) Representative of the City of Anaheim appointed by the Anaheim City Manager (Greg Garcia, Acting Assistant City Manager); 2) Representative from the largest single contributor in the aggregate by brand to the ATID (Mary Niven); and 3) Representative of the hoteliers as recommended by the Visit Anaheim Board of Directors, who shall also be an owner or operator of an Assessed Facility and a member of the board of directors of the Anaheim Transportation Network (ATN) and approved by the other two representatives on the committee (Fred Brown).

### **REQUEST:**

Following is a description of each of the requests followed by staff's recommendation:

#### **A. Receive and file Preliminary ATID Transportation Component Revenues and Expenditures Update:**

Attached for the Committee's reference is a copy of the Preliminary ATID Transportation Component Fund summary (see Attachment 1). This summary shows actual and projected revenues and expenditures between FY 2010/2011 through FY 2018/2019, with additional projected revenues through FY2020/2021. These numbers are preliminary and will be finalized following the close out of the FY2017/2018 budget later this year.

- Total revenues received and projected through FY2018/2019: \$32,883,640
- Total expenditures through June 30, 2018: \$14,399,402
- Total encumbrances in FY 2018/2019: \$5,997,332
- Remaining Unencumbered Balance: \$12,486,906

This summary is for information only and is intended as a reference for the Committee's consideration of the proposed ATID funding requests.

**B. Consideration of scheduling a minimum of three ATID Transportation Committee Meetings a year.**

At the April 9, 2018, ATID Transportation Committee Meeting, Chairman Brown requested that the ATID Transportation Committee consider holding meetings more frequently during the year, potentially on a quarterly basis, in order to consider the various requests for ATID Transportation Component funding.

Staff has reviewed this request and recommends that meetings be held a minimum of three times a year (January, May and September) instead of quarterly. This would allow sufficient time for staff to prepare for the meeting, including reviewing and making recommendations on the requests and preparing meeting material (agenda, staff report, meeting coordination). An additional meeting could still be scheduled in-between these months if requested by the Committee or City staff.

Pending approval of this item, staff will contact the Committee members to schedule the dates for 2019, with the next meeting to be held in January 2019.

**C1. Provide funding for improvements in The Anaheim Resort to widen the south side of eastbound Katella Avenue to add a fourth lane adjacent to the Anaheim Convention Center and install Intelligent Transportation System (ITS) improvements such as signal and camera detection equipment (\$2.3 million):**

City staff requests funding for improvements in The Anaheim Resort to widen the south side of eastbound Katella Avenue to add a fourth lane of travel adjacent to the Anaheim Convention Center and to implement ITS improvements such as signal and camera detection equipment upgrades (see Attachment 2 – Katella Avenue Widening).

The ultimate right of way for Katella Avenue between West Street and Harbor Boulevard is four lanes. The road has been widened to four eastbound lanes east of the Anaheim Convention Center between Hotel Way and Harbor Boulevard; however, there are three eastbound lanes of travel between West Street and Hotel Way. In connection with the development of the Westin Hotel (west of the Anaheim Convention Center), the road will be widened to four eastbound lanes. This will leave a gap of three lanes in front of the Anaheim Convention Center.

Staff is proposing to widen Katella Avenue adjacent to the Anaheim Convention Center in order to provide for a seamless continuation of the eastbound fourth lane from West Street to the entry to Anaheim Convention Center Car Park 1. This would eliminate a potential back-up of eastbound vehicles making the transition from four lanes to three lanes in front of the Westin Hotel. It would also allow for one of the travel lanes to be used for vehicles making a right turn to enter Car Park 1 and still allow for three lanes of eastbound travel. Without this improvement, staff anticipates there will be additional congestion and back-up of eastbound vehicles along this segment of Katella Avenue during peak periods and Convention event timeframes.

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Within the requested ATID funds, City staff also proposes to install ITS improvements, such as signal equipment and camera detection equipment, in key areas as identified by the City Traffic Management Center. These proposed improvements will be implemented within The Anaheim Resort to further assist with traffic management along the area's major corridors.

Staff initially presented the request to widen Katella Avenue at the April 9, 2018, ATID Transportation Committee Meeting. Following Committee discussion, this item was continued for staff to investigate whether there were other funding opportunities available for this effort. While staff has not been able to identify any other funding opportunities, staff has reviewed other ATID funded projects to reprioritize work and funding. As part of this effort, staff brought to a close the Anaheim Resort Master Construction Schedule Project, which was approved in March 2018 for \$290,000 of ATID funding. This project created a map and tracking system to assist with scheduling and reflecting construction work in and around The Anaheim Resort during this past year's peak of construction during the spring and summer. However, staff now recommends the remaining funds (\$130,000) would be even more beneficial to direct towards the Katella widening project. Staff was also successful in receiving grant funds from Caltrans for the Anaheim Resort Mobility Plan, resulting in a reduction of ATID funds for this effort from \$550,000 to \$250,000, a savings of \$300,000 of ATID funds that could be used for the Katella widening.

Staff continues to recommend the use of \$2.3 million of ATID funds to widen the segment of eastbound Katella Avenue and to install ITS equipment as needed. With the \$430,000 of ATID funds redirected from other projects, an additional \$1.87 million of ATID funds would be needed for this project. There are sufficient funds available in the ATID Transportation Component balance to accommodate this request.

**C2. Provide funding for signs in The Anaheim Resort, including upgrading existing signs, installation of new signs, establishment of sign maintenance agreements and related Sign Project Management activities (\$5.6 million):**

Over the past year, City staff has held discussions with Disneyland Resort staff regarding a number of signs in The Anaheim Resort that would be more effective to the traveling public if the messages were converted from static messages to more dynamic changeable message signs. In addition, some of the existing signs installed approximately 18 years ago are in need of repairs.

On September 10, 2018, Disneyland Resort staff submitted a summary describing ten signs which are proposed to be updated or repaired as follows (a description of each of the proposed changes and an overall map showing the sign locations is provided in Attachment 3):

- Replace two trailer mounted signs on Disneyland Drive and Katella Avenue with permanently installed changeable message signs that can be controlled through the City of Anaheim Traffic Management Center (TMC);

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- Repair the changeable arrows on three large cantilever signs on Disneyland Drive and Katella Avenue that assist in directing traffic to Downtown Disney and Theme Park parking areas;
- Replace five static and/or outdated digital signs on Ball Road, Harbor Boulevard and Disneyland Drive with updated changeable message signs that can be controlled through the City TMC to improve the quality of wayfinding assistance (this will also include the removal of one trailer mounted sign on Harbor Boulevard); and,
- Install fiber optic cables and conduits to provide communication from the TMC to the proposed changeable message signs.

The estimate to complete this sign project is \$4,872,000, including \$3,500,000 for fabrication and installation plus an additional \$1,372,000 for contingency, engineering and design costs. This estimate is anticipated to be refined through the design process, including detailed review of the fiber optic cable communication requirements. Once this review is completed, a more refined cost estimate for installing fiber cables and conduits will be prepared. As the cost estimate is refined, a request for additional funds may be submitted for a future Transportation Committee meeting.

City staff is also requesting \$728,000 for Project Management costs to oversee all activities associated with this sign project plus the 14 other changeable message signs recently approved for ATID funding (the 12 overhead changeable message signs and 2 smaller signs on Katella Avenue and Harbor Boulevard). This would include oversight of all activities related to processing of the signs through design, procurement and construction and also include work associated with establishing agreements between the City and the Disneyland Resort for maintenance and operation of the signs. This would allow the overall sign project to be implemented as soon as possible so that all signs can be completed by the end of 2019 or soon thereafter.

City and Disneyland Resort staff have discussed opportunities to partner on this effort to expedite installation of the signs. Pending approval of these funds, City staff and Disneyland Resort staff will have follow-up discussions on roles and related activities, which could include Disneyland Resort staff taking the lead on some activities and the City on others.

The total request for these activities is \$5.6 million of ATID funds. City staff supports this project as it will result in better utilization of wayfinding signs to help manage traffic flow throughout The Anaheim Resort. There are sufficient funds available in the ATID Transportation Component balance to accommodate this request.

### **C3. Provide funding requested by the Anaheim Transportation Network (ATN) Board towards the acquisition of 40 Zero Emission Buses for Anaheim Resort Transportation operations (\$2,511,000):**

The ATN has submitted a request for \$2,511,000 of ATID funds towards the acquisition of 40 Zero Emission Buses (ZEB) for Anaheim Resort Transportation operations (see Attachment 4). Earlier this year, the ATN applied for and received funding from the California State Transportation Agency's (CalSTA) Transit and Intercity City Rail Capital

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Program which will allow ATN to electrify 50 percent of its fleet and to develop an energy storage and charging solution for ART services.

As described in the April 9, 2018, Transportation Committee Staff Report, the ATN previously submitted a request for ATID funds, including \$10 million towards construction of a new ART Maintenance Facility and \$2.5 million for the ATN's Capital Improvement Fund. This request was continued to a future meeting for staff to evaluate the request.

The ATN Board, on August 29, 2018, recently approved a modified ATID funding request to seek matching funds for the purchase of the 40 new buses. The total bus purchase cost will be \$31,980,000, of which ATN has secured \$29,469,000 from other sources including the CalSTA grant, FTA funds and a Zero Emission bus rebate. The requested \$2,511,000 of ATID funds is needed to complete the purchase of the buses.

The new buses will replace a 20-year old fleet of Liquefied Natural Gas (LNG) buses, purchased from the Orange County Transportation Authority. The new ZEB fleet will include ten 30-foot buses, twenty 40-foot buses and ten 60-foot articulated buses. ATN anticipates deploying the buses along its busiest routes in The Anaheim Resort. This includes sixteen buses throughout The Anaheim Resort, including the ten articulated buses primarily along Harbor Boulevard and the Grand Plaza. Twenty-four buses are anticipated to serve the Toy Story lot.

Because the bus manufacturing processes takes approximately 18 months, the ATN anticipates receipt of the new buses by mid-2020. Therefore, ATN requests the ATID allocation in Fiscal Year 2019/2020. There are sufficient funds available in the ATID Transportation Component balance to accommodate this request.

The ATN was created specifically to facilitate transportation in Anaheim with a distinct focus on the creation of a clean fuel shuttle system to serve the transportation needs of The Anaheim Resort and to mitigate traffic congestion and air quality impacts. Anaheim staff supports the use of ATID funding as the local match for grants, especially this important grant opportunity which will enable the ATN to electrify 50 percent of its fleet and continue to mitigate traffic mitigation and air quality impacts in The Anaheim Resort.

Respectfully submitted,

Rudy Emami  
Director of Public Works

### **Attachment:**

1. Preliminary ATID Transportation Component Revenues and Expenditures Update
2. Katella Avenue Widening
3. The Anaheim Resort Signs
4. ATN ATID Request