

ANAHEIM TOURISM IMPROVEMENT DISTRICT (ATID)

ATID TRANSPORTATION COMPONENT FUND ANNUAL REPORT

**FISCAL YEAR
2017/2018**

APPROVED BY:

ATID Transportation Committee Meeting

Date: _____

ANAHEIM TOURISM IMPROVEMENT DISTRICT

ATID Transportation Component Fund Annual Report for Fiscal Year 2017/2018

Introduction:

The Anaheim Tourism Improvement District (ATID) was established within The Anaheim Resort and the Platinum Triangle Districts on September 14, 2010, and encompasses the area shown in Exhibit A.

The ATID is a way for Anaheim's visitor industry to become self-sufficient by adding a 2% assessment fee that mirrors the Transit Occupancy Tax (TOT) to each occupied guest room. This Tourism Improvement District is a self-assessment fee by the hotel community. The fee is passed on to the customer or paid for by the hotel. This fee commenced on November 1, 2010, and is collected and audited by the City of Anaheim.

Visit Anaheim, formerly known as the Anaheim Orange County Visitor & Convention Bureau (AOCVCB), receives 75% of the ATID funds to provide a stable and adequate funding source and enable Visit Anaheim to function as a competitive destination sales and marketing organization. Oversight of these ATID funds is managed by the Visit Anaheim Board of Directors.

The remaining 25% of the ATID collections go towards Anaheim's transportation programs. These Transportation Component funds are collected and administered by a separate ATID Transportation Committee.

The ATID Contribution list is made of 84 properties within The Anaheim Resort and Platinum Triangle Districts as identified in Exhibit B. Note that many of these properties have changed hotel names (recent names on file with the City).

Resolution 2010-151 (forming the ATID) and Ordinance No. 6174 (ATID Enabling Ordinance) require the ATID Transportation Committee to submit an annual report for each fiscal year the ATID is in effect addressing the following:

- The method and basis of levying the assessment in sufficient detail to allow each business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her businesses for that fiscal year.
- Any proposed changes in the boundaries of the tourism improvement district, any benefit zones, classification of businesses, the basis and method of levying assessments, the management plan or the activities and improvements to be funded by the assessments.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.

- The amount of any surplus revenues to be carried over from a previous fiscal year.
- The amount of any contribution to be made from sources other than assessments levied pursuant to the Ordinance.

Annual Report Components:

- **Method and Basis of Levying the Assessment:**

On September 14, 2010, the Anaheim City Council established the Anaheim Tourism Improvement District (ATID) as a means of providing the necessary resources to enhance tourism activity and increase hotel room stays. The ATID establishes an assessment of 2% of the room rent for all hotel facilities located within the ATID boundaries (The Anaheim Resort and the Platinum Triangle). This assessment is not a tax for the general benefit of the City, rather it is an assessment for activities that provide benefits directly to those hotels within the ATID.

Background information about the ATID, including the method and basis of levying the assessment, is provided on the City website (see the Business License Division page on www.anaheim.net or <http://www.anaheim.net/565/Anaheim-Tourism-Improvement-District-ATI>). The City also sent a letter dated October 13, 2010, to the Anaheim Hotel Operators to provide information about the ATID (see Exhibit C).

- **ATID Components - No Changes Proposed:**

There were no proposed changes to:

- The boundaries of the tourism improvement district
- Any benefit zones
- Classification of businesses
- The basis and method of levying assessments
- The management plan
- The activities and improvements to be funded by the assessments

- **Fiscal Year 2017/2018 Review Summary**

Below is a summary of the following for Fiscal Year 2017/2018: the improvements and activities provided during the fiscal year; the cost of providing the improvements and the activities; and, the amount of any surplus revenues to be carried over from a previous fiscal year.

The description of each activity indicates whether other funding sources, in addition to ATID Transportation Funds, were contributed to the project.

ANAHEIM RAPID CONNECTION (ARC) FIXED-GUIDEWAY PROJECT - CONCLUSION OF PLANNING EFFORTS:

The FY 2016/2017 Annual Transportation Component Fund Annual Report provided some background information on the ARC project, including the steps the Anaheim City Council took to conclude the planning efforts during FY 2015/2016 and the first half of FY 2016/2017. That report indicated ARC project activities had concluded in FY 2016/2017 and \$714,034 was expended during FY 2016/2017.

The purpose of this section is to clarify that while \$714,034 of expenditures were incurred during FY 2016/2017, due to accounting reconciliations, \$237,049 was included in the closeout of the FY 2016/2017 budget and \$476,985 was included in the closeout of the FY 2017/2018 budget. The ATID Summary in Attachment A reflects this clarification.

Background: Between 2008 and 2016, the City and the OCTA worked collaboratively on the proposed ARC fixed-guideway project to provide an east-west transit connection between ARTIC, the Platinum Triangle and The Anaheim Resort. This project was envisioned to operate as a high-capacity system, providing ease of transfer to the Metrolink commuter rail system, Amtrak, local fixed-route bus, future bus rapid transit (BRT), and high-speed train services connecting at ARTIC. This system was proposed to provide residents, employees, and visitors a connection between the Metrolink commuter rail system to Anaheim's major employment and activity centers in the Platinum Triangle and The Anaheim Resort. Annual Review Reports for Fiscal Years 2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016 and 2016/2017 described the various agreements and milestones completed during those reporting periods including the City's adoption of the Locally Preferred Streetcar Alternative in 2012, commencement of preparation of state and federal environmental documentation, and conclusion of planning efforts in FY 2016/2017.

Actions during Fiscal Year 2017/2018:

No project activities took place during Fiscal Year 2017/2018. This project is included in this Annual Report in order to reflect accounting reconciliations.

ATID Funds Allocated for ARC:

The ATID Transportation Committee allocated \$3,064,000 for ARC as follows:

- On August 19, 2011, the ATID Transportation Committee allocated \$414,000 for the ARC project development activities, including \$134,000 for the required local match for the OCTA Cooperative Agreement and \$280,000 for other project activities.

- On July 27, 2012, the ATID Transportation Committee approved \$800,000 of ATID funds to support costs associated with ARC project development activities including \$150,000 for the required local match for the OCTA Cooperative Agreement and \$650,000 for other project activities including City project management, attorney support, FTA strategy advice and coordination, and public outreach and meeting coordination.
- On January 22, 2014, the ATID Transportation Committee approved \$490,000 of ATID funds to support costs associated with current ARC project development activities, including, but not limited to, City project management, technical analysis, attorney support, public outreach and meeting coordination.
- On January 22, 2014, the ATID Transportation Committee also approved \$60,000 of ATID funds to reimburse the AOCVCB for the preparation of an Anaheim Streetcar Economic Impact & Development Study, which was presented to the OCTA Board as part of its consideration of the ARC Project in July, 2013.
- On March 16, 2015, the ATID Transportation Committee approved \$1.3 million of ATID funds to support costs associated with incorporating the additional project alternatives into the federal and state environmental documentation.

Expenditures:

A total of \$2,025,261 of ATID funds have been expended for ARC on project development activities including City project management, strategic guidance on the Federal New Starts funding process, project development activities, public outreach, attorney support and preparation of the Anaheim Streetcar Economic Impact and Development Study. This includes \$714,034 of expenditures incurred during FY 2016/2017. Due to accounting reconciliations, \$237,049 was included in the closeout of the FY 2016/2017 budget and \$476,985 was included in the closeout of the FY 2017/2018 budget.

The remaining ATID funds allocated for the ARC Project (\$1,038,739) were returned to the unencumbered ATID Balance.

ANAHEIM CANYON RAIL FEEDER SERVICE:

As part of the Project S Bus Program, the City entered into a Cooperative Agreement with the OCTA in September, 2012, for capital and operations and maintenance funds for a new, expanded rail feeder service connecting the Anaheim Canyon Metrolink Station with stops in the Downtown and extending to The Anaheim Resort. In December, 2012, the City entered into a Sub-Recipient agreement with the Anaheim Transportation Network (ATN) to operate the service using two buses.

The capital costs for the new service includes \$202,000 for the purchase of a new 30-passenger bus and related equipment to be paid from the OCTA grant (\$179,780) and an 11 percent local match (\$22,220). A second bus is provided by the ATN from the Anaheim Resort Transportation (ART) fleet. Annual operating and maintenance costs are furnished by City AB2766 funds (South Coast Air Quality Management District funds), ATN Metrolink Reimbursement and up to \$242,888 reimbursed by the OCTA within a five year period.

On July 27, 2012, the ATID Transportation Committee approved \$30,000 for the new bus service (including the \$22,220 local match for the acquisition of the bus and oversight and marketing of the program).

The new service commenced in February, 2013, using two existing buses from the ART fleet. The new bus was purchased in FY 2013/2014. Electronic signs (“next bus signs”) identifying when the next ART bus will arrive were also installed at the City Hall bus stop and at the La Palma bus stop in the bus shelters. This service is meeting ridership expectations, with an average of 10 boardings per each of the 5.5 daily passenger hours (daily boardings range from a minimum of 55 to over 100).

As the operating costs have been lower than anticipated, on February 21, 2017, the OCTA agreed to extend the term of the agreement to allow the service to operate another three years through July 2020. On March 21, 2017, the Anaheim City Council approved an amendment to the ATN Sub-Recipient Agreement to permit the ATN to continue operating the service through July 2020.

Expenditures:

During FY 2012/2013, \$87 was expended for advertising costs associated with a public hearing for the new route. During FY 2013/2014, \$22,200 was expended for the local match for the purchase of the bus. The remainder of the ATID funding allocation (\$7,713) is anticipated to be expended in FY 2018/2019. If the funds are not expended during FY 2018/2019, they will be returned to the unencumbered ATID balance.

BUS SHUTTLE SERVICE BETWEEN CTCITY ANAHEIM AND THE PLATINUM TRIANGLE (ARTIC) (OCTA PROJECT V):

On February 25, 2016, the ATID Transportation Committee allocated \$215,000 as the local match for a city application to the OCTA for Measure M2 Project V Community-Based Transit/Circulators Program to provide a new bus circulator route to and from the Platinum Triangle (ARTIC) to CtrCity Anaheim along an approximate 4.25-mile corridor. On December 28, 2016, the OCTA and the City of Anaheim entered into an agreement to provide for up to \$1,290,000 for this new route for seven years through the Project V grant and a local match from the City (provided through restricted transportation funds including ATID funds and the

City's AB2766 South Coast Air Quality Management District funds). The Project V funds are provided to the City based upon actual boardings (up to \$9 per boarding) and the City meeting required minimum boarding milestones. This includes achieving a minimum of six boardings per revenue hour by the end of the first year of operation. On March 21, 2017, the City of Anaheim entered into a Subrecipient Agreement with the Anaheim Transportation Network (ATN) to implement and operate the new bus service for up to seven years.

Bus service for the new route commenced on October 31, 2017. Two buses served the route seven days a week, with the service provided free to the public. This service was marketed to area residents and employees in a variety of ways, including city newsletters, inserts into public utility bills, social media and direct outreach to CtrCity businesses and residential areas along the route.

Staff anticipated there would be a ramp-up period once the new service started. However, while the boardings increased over the first few months of the service, the number of boardings was low and did not generate sufficient Project V grant funding to continue operation of the service. Therefore, City staff directed the ATN to discontinue the service on March 9, 2018.

Expenditures:

During FY 2015/2016, \$215,000 of ATID Transportation funds were allocated for the project. In FY 2017/2018, \$96,794 was spent for this service, including \$74,932 of operational costs and \$21,862 to market the service and wrap the bus with the project logo. These costs were funded by \$71,794 of ATID funds and \$25,000 of AB2766 funds. Remaining ATID funds (\$143,206) were returned to the unencumbered ATID balance. The City has submitted an invoice to OCTA for reimbursement of \$15,171 of the costs. If approved, this will be reflected in the FY 2018/2019 ATID Annual Report.

HARBOR/KATELLA SIGNAL IMPROVEMENTS:

On March 23, 2017, the ATID Transportation Committee allocated \$200,000 for improvements at the intersection of Harbor Boulevard and Katella Avenue to relieve vehicular and pedestrian congestion during heavy event periods and improve the traffic monitoring and detection equipment. Improvements included the installation of five section signal heads, LED blank out signs, cameras and signal equipment. With these improvements, Anaheim's Traffic Management Center (TMC) operators are able to manage traffic congestion by allocating more time to right turning vehicles during special events at The Disneyland Resort and the Anaheim Convention Center.

The project was completed in FY 2017/2018.

Expenditures:

During FY 2016/2017, \$200,000 of ATID Transportation funds were allocated for the project and \$166,522 was expended, with \$31,721 expended during FY 2017/2018. The remaining balance of \$1,757 was returned to the unencumbered ATID balance.

CHANGEABLE MESSAGE SIGN (CMS) UPDATES:

On March 23, 2017, the ATID Transportation Committee allocated \$1,900,000 to update eleven Changeable Message Signs (CMS) in and around The Anaheim Resort (within the ATID boundaries) with new technology, including adding new sign and communication equipment, and designing and integrating the new sign display area with the existing sign pole. On April 9, 2018, the ATID Transportation Committee increased the number of CMS to be updated from eleven to twelve (within the previously allocated funding) in order to update a sign in the Platinum Triangle to provide consistent messaging to those traveling along Katella Avenue, the main street running through the ATID boundaries.

The twelve electronic changeable message signs were installed in The Anaheim Resort and the Platinum Triangle as part of the improvements implemented in the late 1990's/2000's. Anaheim TMC operators use these signs to provide directional information to arriving or departing visitors about the location of attractions, parking or traffic conditions. These signs need to be upgraded as controller equipment and replacement parts for these signs are generally no longer manufactured. If replacement parts are not available, the signs may remain dark and unusable.

Key objectives for this project are as follows:

- Upgrade twelve (12) existing CMS around the Anaheim Resort area
- Evaluate new signs, cabinets and communication equipment
- Design and integrate new CMS within the existing sign structure
- Integrate CMS operation into the TMC
- Ensure aesthetics of the upgraded sign will be consistent with the existing signs (i.e., the signs in The Anaheim Resort will maintain the sign pole and armature with the garden trellis character identified in the Anaheim Resort Identity Program).

The project is well into the design phase and is anticipated to be bid out to a contractor during early 2019. The target timeframe for having the CMS system fully operational is by mid-FY 2020/2021.

Expenditures:

During FY 2016/2017, \$1,900,000 of ATID Transportation funds were allocated for the project. A total of \$6,606 was expended during FY 2016/2017, and \$117,525 was expended during FY 2017/2018. The remaining balance of \$1,775,869 is anticipated to be expended during the next couple of fiscal years.

ANAHEIM RESORT MASTER PROGRAM (CONSTRUCTION SERVICES):

On March 23, 2017, the ATID Transportation Committee allocated \$290,000 towards preparation of a program to better manage and track construction projects in and around The Anaheim Resort. During Spring of 2017 through late summer of 2018, this project included creating a map and tracking system to assist with scheduling and reflecting construction work in and around The Anaheim Resort during the peak of construction activities. Over this time, \$146,599 of ATID funds were expended. At the September 24, 2018, ATID Transportation Committee Meeting, City staff proposed bringing this project to a close in order to reprioritize work and to reallocate the remaining ATID funds (\$143,401) to the Katella Widening Project (see discussion about the Katella Widening Project later in this Annual Report).

Background:

On March 23, 2017, Anaheim staff requested \$290,000 of ATID funds to create the frame or structure of a master program to identify the various projects whether public or private, track the overall progress of each, monitor the specific planning/design/construction activities, coordinate and sequence construction activities from all sources to minimize impacts to public right-of-way and disruption of traffic patterns and participate in the resolution of conflicts between public/private projects. This program was also proposed to include a multi-faceted communications component to provide the stakeholders with as much advance notification of upcoming impacts or conflicts as practical, provide way-finding information to the traveling public, document conflict resolution and provide supplemental status reports as may be requested. Once developed, the ongoing use and implementation of the program was proposed to be funded through private developer/business fees and public project contributions.

Activities conducted through the conclusion of the project activities in early FY 2018/2019, included collecting information from various stakeholders, preparation of a lane closure map in coordination with the City GIS, and coordination with City's Traffic Management System staff including attending weekly meetings and coordination with Google/Waze for road closure/lane closure data push.

While the project efforts were helpful during the peak construction period in The Anaheim Resort during 2017/2018, City staff believed that reallocating remaining funds to the Katella Avenue widening project (widening eastbound Katella Avenue by a fourth lane adjacent to the

Anaheim Convention Center) was a higher priority and would provide long-term benefits by helping address traffic flow on Katella Avenue.

Expenditures:

During FY 2016/2017, \$290,000 of ATID Transportation funds were allocated for the project. A total of \$146,599 has been expended on the project including \$37,910 in FY 2016/2017, \$104,139 in FY 2017/2018, and \$4,550 in FY 2018/2019. The remaining balance of \$143,401 was reallocated to the Katella Avenue Widening Project at the September 24, 2018, ATID Transportation Committee Meeting.

THE ANAHEIM RESORT AREA MOBILITY PLAN:

In February, 2017, City staff submitted a grant application to Caltrans requesting \$287,000 to prepare The Anaheim Resort Area Mobility Plan, with a local match of \$155,000 provided with ATID funds for a total project cost of \$442,000. This plan is proposed to be prepared as a collaborative effort with area stakeholders with the intent of identifying ways to improve the circulation and safety of pedestrians, bicyclists, alternative transportation modes (including, but not limited to, pedicabs and dockless rideshare such as e-scooters), motorists (including, but not limited to, associated curb-side management for delivery vehicles and rideshare services and other services that impact public right-of-way curb-side areas), and transit users in and around The Anaheim Resort. It will address pedestrian and bicycle improvements including wayfinding signs, potential pedestrian bridge locations and design and safety lighting for pedestrian and bicycle pathways. It will also address vehicle flow, including identifying necessary improvements to vehicle signs and study integrating electronic messaging signs with the Caltrans Integrated Corridor Management System.

In May 2018, Caltrans notified City staff that the City received the grant award and the City's agreement with Caltrans for the funding was subsequently executed in October 2018.

A Request for Proposals was issued on January 18, 2019, for Consultant Services for this project. City Council selection of a Consultant is anticipated to occur by April 2019.

ATID Funds Allocated:

- On March 23, 2017, the ATID Transportation Committee allocated \$200,000 for the Anaheim Resort Mobility Plan. These funds will be used for the local match, miscellaneous costs associated with project processing (i.e., meeting notices, outreach) and city staff time.
- On April 9, 2018, the ATID Transportation Committee allocated \$350,000 for the Anaheim Resort Mobility Plan in the event that the City did not receive a grant award from Caltrans for preparation of the Plan. This allocation also included \$50,000 for an

analysis of whether a pedestrian bridge would be feasible at two intersections in The Anaheim Resort.

- On September 24, 2018, provided an update to the ATID Transportation Committee, indicating that the City was successful in receiving grant funds from Caltrans for this project, resulting in a reduction of ATID funds for this effort from \$550,000 to \$250,000.

Expenditures:

During FY 2016/2017, \$200,000 of ATID Transportation funds were allocated for the project to serve as a local match as part of a grant application to Caltrans. During FY 2017/2018, \$50,000 of ATID Transportation funds were allocated to analyze whether a pedestrian bridge would be feasible at two intersections in The Anaheim Resort. Expenditure of funds will commence in FY 2018/2019.

ANAHEIM RESORT SAFETY BOLLARD PILOT PROGRAM:

On April 9, 2018, the ATID Transportation Committee allocated \$2,500,000 for the City to implement the Anaheim Resort Safety Bollard Pilot Program, which will include installing safety bollards at four street intersections in The Anaheim Resort. These intersections include: Harbor Boulevard/East Shuttle Area; Harbor Boulevard/Disney Way; Harbor Boulevard/Katella Avenue; and Harbor Boulevard/Convention Way. The intent is to identify appropriate and aesthetically pleasing bollard designs to provide for enhanced pedestrian safety at these intersections. The information learned from this pilot program may also be transferable to other locations in the City.

A Request for Proposals was issued on January 10, 2019, for Consultant Services for this project. City Council selection of a Consultant is anticipated to occur by April 2019. Completion of the design and construction of the project is anticipated to occur in FY 2019/2020.

Expenditures:

During FY 2017/2018, \$2,500,000 of ATID Transportation funds were allocated for the project. Funds are anticipated to be expended in FY 2018/2019 and FY 2019/2020.

KATELLA WIDENING PROJECT INCLUDING TWO CHANGEABLE MESSAGE SIGNS (CMS):

The ATID Transportation Committee allocated a total of \$2,440,000 for the widening of the south side of Katella Avenue adjacent to the Anaheim Convention Center and the installation of two changeable message signs in the Katella Avenue median. The funding for this project was allocated as part of three separate actions as follows:

- April 9, 2018 - \$150,000 allocated to install one CMS in the Katella Avenue median to eliminate an existing trailer mounted sign and provide changeable directional information to westbound traffic. This CMS will be located near the signalized intersection which provides access to the Anaheim Convention Center Car Park 1.
- September 24, 2018 - \$150,000 allocated in connection with a larger project described later in this Annual Report (“The Anaheim Resort Sign Project 2019-2020”) to install one CMS in the Katella Avenue median, just east of Disneyland Drive to eliminate an existing trailer mounted sign. This CMS will provide changeable directional information to eastbound traffic.
- September 24, 2018 - \$2,300,000 allocated to add a fourth lane of travel adjacent to the Anaheim Convention Center (\$2,140,000) and to implement Intelligent Transportation System (ITS) improvements such as signal and camera detection equipment (\$160,000). For ease of reporting, the ITS improvements will be reported as a separate project.

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. Widening this gap will provide for a seamless continuation of the eastbound fourth lane from West Street to the entry to Anaheim Convention Center Car Park 1. It will 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.

The design phase of this project is underway with construction anticipated to commence in Spring 2019.

Expenditures:

During FY 2017/2018, \$2,440,000 of ATID Transportation funds were allocated for the project. Funds are anticipated to be expended in FY 2018/2019 and FY 2019/2020.

INTELLIGENT TRANSPORTATION SYSTEM (ITS) IMPROVEMENTS IN THE ANAHEIM RESORT:

As previously indicated, on September 24, 2018, the ATID Transportation Committee allocated funds (\$160,000) for ITS improvements. This includes improvements such as signal equipment and camera detection equipment in key areas in The Anaheim Resort as identified by the City

Traffic Management Center (TMC). These proposed improvements will further assist with traffic management along the area's major corridors.

Expenditures:

During FY 2017/2018, \$160,000 of ATID Transportation funds were allocated for the project. Funds are anticipated to be expended in FY 2018/2019 and FY 2019/2020.

THE ANAHEIM RESORT SIGN PROJECT 2019-2020:

On April 9, 2018, the ATID Transportation Committee allocated \$150,000 for the installation of a changeable message sign (CMS) in the Harbor Boulevard median, south of Convention Way. This sign is intended to provide changeable directional information to northbound Harbor Boulevard traffic and eliminate an existing trailer mounted sign. On September 24, 2018, the ATID Transportation Committee allocated \$5,600,000 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. One of the signs (a CMS on Katella Avenue at a cost of \$150,000) has been moved to the Katella Widening Project discussed earlier in this Annual Report, leaving a remainder of \$5,450,000 for this larger sign project. The total funding for all of these sign improvements (\$150,000 for the Harbor CMS plus the remaining \$5,450,000) is \$5,600,000. Below is a summary of the sign improvements:

- Replace two trailer mounted signs on Harbor Boulevard and Disneyland Drive with permanently installed CMS that can be controlled through the City of Anaheim Traffic Management Center (TMC);
- 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 CMS.

This project also funds Project Management costs to oversee all activities associated with this sign project plus the 14 other CMS recently approved for ATID funding (the 12 overhead CMS and the 2 smaller CMS as part of the Katella Widening Project). This will 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.

Exhibit D (The Anaheim Resort – Sign Changes) provides a map showing the location of the signs that will be addressed as part of this project. This exhibit also identifies the two Katella Avenue CMS that will be installed as part of the Katella Widening Project.

Expenditures:

During FY 2017/2018, \$150,000 of ATID Transportation funds were allocated for the Harbor CMS and during FY 2018/2019, \$5,450,000 were allocated for the remaining signs addressed by this project. Funds are anticipated to be expended in FY 2018/2019 and FY 2019/2020.

ANAHEIM TRANSPORTATION NETWORK (ATN) – SUPPLEMENT CALTRANS GRANT FOR ART 2035 IMAGINE POSSIBILITIES STUDY EFFORTS

On January 15, 2015, the ATID Transportation Committee allocated \$255,000 to ATN to supplement a grant received by the ATN from Caltrans to prepare an Integrated Transportation and Capacity Building Plan Study called “ART 2035 Imagine Possibilities.” This Plan evaluates operating parameters for ART services and any necessary future governance structure changes for ART. It also includes a comprehensive evaluation and update of the ART financial participation structure and modeling methodology. The study was completed in June, 2017. A copy of the study is provided on the rideart.org website at: <http://rideart.org/wp-content/uploads/2014/12/ART-Draft-Final-Report-06-29-17.pdf>.

Expenditures:

During FY 2015/2016, \$255,000 of ATID Transportation funds were allocated for the project and \$141,563 was expended. During FY 2016/2017, \$72,341 was expended, with the remaining balance of \$41,096 expended during FY 2017/2018. All allocated funds have been expended for this project.

ANAHEIM TRANSPORTATION NETWORK (ATN) – OPERATIONAL FUNDING

On March 23, 2017, the ATID Transportation Committee allocated \$472,434 for operational funding for the ATN for two fiscal years.

ATN’s contracted bus operators voted to affiliate with a labor union, causing a significant increase in the transit agency’s operational costs. To offset these costs, ATN increased passenger fares and hotel assessment fees and conducted a new driver services contract. However, there was an operational shortfall. ATN requested and received funding for two

years to close the gap on the driver service contract obligation as follows: \$233,398 during FY 2016/2017 and \$239,036 during FY 2017/2018.

Expenditures:

During FY 2016/2017, \$472,434 of ATID Transportation funds were allocated for the project and \$233,398 was expended, with the remaining balance of \$239,036 expended during FY 2017/2018. All allocated funds have been expended for this project.

ANAHEIM TRANSPORTATION NETWORK (ATN) – MATCHING GRANT FUNDING

On March 23, 2017, the ATID Transportation Committee allocated \$500,000 for matching grant funding for bus acquisition for the purpose of qualifying for and obtaining local, state and/or federal grant opportunities. ATN provided an update on the use of these funds (see Exhibit E). In October 2018, ATN placed an order for two 30-foot Zero Emission Buses (ZEB) which will be delivered in December 2019. Funding for these buses comes from a variety of sources including ATID (\$500,000), South Coast Air Quality Management District Mobile Source Air Pollution Reduction Control (MSRC) Program (\$133,000), Hybrid and Zero-Emission Truck and Bus Voucher Incentive (HVIP) Program Credits (\$270,000) and the Carl Moyer Memorial Air Quality Standards Attainment (AQUIP) Program (\$58,000). With the addition of these two new buses, ATN will own and operate a total of six ZEBs.

Expenditures:

During FY 2016/2017, \$500,000 of ATID Transportation funds were allocated for the project. During this fiscal year, no funds were expended. ATN anticipates expending the funds in FY 2018/2019.

**ANAHEIM TRANSPORTATION NETWORK (ATN) – REAL-TIME MANAGEMENT/
PASSENGER INFORMATION SYSTEM**

On March 23, 2017, the ATID Transportation Committee allocated \$1,250,000 for a real-time management/passenger information system for the ATN.

ATN requested \$1,250,000 of ATID funding over three years to be used for the purpose of developing and installing a real-time passenger information system that will allow ATN to better manage its operations and provide its guests and passengers with the information they require related to ATN's transit services. The funding is being used to develop, install, and acquire necessary communication hardware (such as reader sign boards, etc.) that will provide real-time arrival and departure information. This includes electronic signage on-board ATN's fleet, as well as at the bus stops and transportation hubs located with The Anaheim Resort.

During May of FY 2016/2017, the ATN Board authorized the work to commence to install on-board InfoTainment and Real-Time Passenger Information systems. ATN provided an update on the use of these funds (see Exhibit E). By December 2017, 82 passenger information screens were installed on board the ART fleet of buses. ART system information started being available on these systems in January 2018. By July 2018, 50 on-board WiFi units were installed on the ART fleet dedicated to Core ART service routes 1 through 19 and 22 (not on the Toy Story Line – Route 20). This facilitates real-time information downloads and free network access for ART patrons. In addition, 50 real-time, next bus passenger information arrival signs will be installed, including 25 signs at ART bus stops, as approved by the City of Anaheim, and 25 signs at the Disneyland Resort Main Transportation Center. This work is anticipated to commence in Spring 2019. Two transit screen sorting signs will also be installed in The Anaheim Resort, one at the Anaheim Convention Center Grand Plaza and the other at the Disneyland Resort Main Transportation Center.

Expenditures:

During FY 2016/2017, \$1,250,000 of ATID Transportation funds were allocated for the project. During FY 2017/2018, \$604,205 was expended. ATN anticipates expending the remaining funds in FY 2018/2019 and FY 2019/2020.

ANAHEIM TRANSPORTATION NETWORK (ATN) – ACQUISITION OF 40 ZERO EMISSION BUSES (ZEBs) FOR ANAHEIM RESORT TRANSPORTATION (ART) FLEET ELECTRIFICATION

On September 24, 2018, the ATID Transportation Committee allocated \$2,511,000 towards acquisition of 40 ZEBs for ART Fleet operations.

Early in 2018, the ATN applied for and received funding from the California State Transportation Agency's (CalSTA) Transit and Intercity City Rail Capital Program (TIRCP) which will allow ATN to electrify 50 percent of its fleet and develop an energy storage and charging solution for ART services.

The total cost of the 40 ZEBs is \$32,511,000, of which ATID will fund \$2,511,000. ATN has also secured \$30,000,000 from other sources including the TIRCP grant (\$22,600,000), Federal Transit Administration (FTA) funds/partnership with the City of Norwalk (\$500,000) and HVIP State Credits Program (\$6,900,000).

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.

ATN provided an update on the use of these funds (see Exhibit E). The ATN Board of Directors is anticipated to consider a Purchasing Agreement between ATN and BYD Motors USA and take action on exercising purchasing options to acquire the buses at its January 30, 2019, Board Meeting. ATN anticipates completion of the agreement negotiation process by Spring 2019, with delivery of the new ZEB bus fleet in late Fall 2020.

Expenditures:

During FY 2017/2018, \$2,511,000 of ATID Transportation funds were allocated for the project. ATN anticipates expending the funds in FY 2019/2020.

CITY OF ANAHEIM
ANAHEIM TOURISM IMPROVEMENT DISTRICT (ATID)
ANNUAL REPORT SUMMARY - TRANSPORTATION COMPONENT
PRELIMINARY

DATED: 1-28-19 With Projects

	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	Projected FY 2018/19	Projected FY 2019/20	Projected FY 2020/21	Projected FY 2021/22
Revenues:												
Special Assessments	\$ 1,319,150	\$ 2,940,416	\$ 3,092,940	\$ 3,306,269	\$ 3,600,839	\$ 4,066,649	\$ 4,435,546	\$ 4,626,062	\$ 4,828,444	\$ 4,997,563	\$ 5,132,379	\$ 5,251,676
Penalties and Interest	6,263	37,805	52,166	58,716	64,235	57,829	137,416	187,795	65,100	65,100	65,100	65,101
Total Revenues	1,325,413	2,978,221	3,145,106	3,364,985	3,665,074	4,124,478	4,572,962	4,813,857	4,893,544	5,062,663	5,197,479	5,316,777
Expenditures (Bold/All Project Funding Expended) :												
ARC	-	(203,498)	(225,459)	(351,454)	(340,149)	(190,667)	(237,049)	(476,984.50)	-	-	-	-
ARTIC - Land	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-	-	-	-	-
ARTIC - Operational Support	-	-	-	-	(2,100,000)	(1,900,000)	-	-	-	-	-	-
Resort Directional Signs	-	-	(740,730)	(9,914)	(449,355)	-	-	-	-	-	-	-
Anaheim Canyon Rail Feeder	-	-	(87)	(22,200)	-	-	-	-	-	-	-	-
Traffic Signals (Harbor/Katella)	-	-	-	-	-	-	(166,522)	(31,720.95)	-	-	-	-
ATN	-	-	-	-	-	(425,563)	(72,341)	(41,095.54)	-	-	-	-
ARTIC to CtrCity Bus Service	-	-	-	-	-	-	(71,794.00)	-	-	-	-	-
AR CMS Update	-	-	-	-	-	-	(6,606)	(117,524.73)	-	-	-	-
AR Master Program (Construction Services)	-	-	-	-	-	-	(37,910)	(104,138.75)	-	-	-	-
ATN Operational Funding	-	-	-	-	-	-	(233,398)	(239,036.00)	-	-	-	-
ATN Real-Time Mgmt/Info System	-	-	-	-	-	-	-	(604,204.40)	-	-	-	-
Total Expenditures	-	(203,498)	(1,966,276)	(1,383,568)	(3,889,504)	(3,516,230)	(1,753,827)	(1,686,499)	-	-	-	-
Encumbrances:												
Anaheim Canyon Rail Feeder	-	-	-	-	-	-	-	-	(7,713)	-	-	-
ARM Mobility Plan	-	-	-	-	-	-	-	-	(250,000)	-	-	-
AR CMS Update	-	-	-	-	-	-	-	-	(1,775,869)	-	-	-
AR Master Program (Construction Services)	-	-	-	-	-	-	-	-	(4,550)	-	-	-
ATN Matching Grant Funding	-	-	-	-	-	-	-	-	(500,000)	-	-	-
ATN Real-Time Mgmt/Info System	-	-	-	-	-	-	-	-	(645,796)	-	-	-
AR Pilot Bollards Program	-	-	-	-	-	-	-	-	(2,500,000)	-	-	-
ATN Fleet Electrification (40 Buses)	-	-	-	-	-	-	-	-	-	(2,511,000)	-	-
AR Sign Project 2019-20	-	-	-	-	-	-	-	-	(5,600,000)	-	-	-
AR Katella Widening-2 CMS	-	-	-	-	-	-	-	-	(2,440,000)	-	-	-
AR ITS Improvements	-	-	-	-	-	-	-	-	(160,000)	-	-	-
Total Encumbrances	-	-	-	-	-	-	-	-	(13,883,928)	(2,511,000)	-	-
Contribution/(Draw)	1,325,413	2,774,723	1,178,830	1,981,417	(224,430)	608,248	2,819,135	3,127,358	(8,990,384)	2,551,663	5,197,479	5,316,777
Beginning Available Fund Balance	-	1,325,413	4,100,136	5,278,966	7,260,383	7,035,953	7,644,201	10,463,336	13,590,694	4,600,310	7,151,973	12,349,452
Ending Available Fund Balance	\$ 1,325,413	\$ 4,100,136	\$ 5,278,966	\$ 7,260,383	\$ 7,035,953	\$ 7,644,201	\$ 10,463,336	\$ 13,590,694	\$ 4,600,310	\$ 7,151,973	\$ 12,349,452	\$ 17,666,229