



ITEM ID: 2024-246-0

TRANSMITTAL DATE: July 19, 2024

MEETING DATE: July 26, 2024

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Service Growth Development Plan (SGDP) Update

Issue

This report presents an update on the Service Growth Development Plan (SGDP) project, along with some new findings from the market assessment concerning weekend travel markets. The SGDP seeks to establish a consensus plan, developed with input from Member Agencies, for Metrolink growth and service transformation over the next 10 or more years.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Customers are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to delight them. The service plans being developed as a part of the Service Growth Development Plan are being crafted to make it simpler and easier for passengers to choose to ride Metrolink. These customer-centric endeavors will connect more passengers to more places in a way that is intuitive and easy for new riders to navigate the system.
- **Modernizing Business Practices:** We will improve our operational efficiency, through transparency, objective metrics, and streamlined governance, reducing reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The service plans being developed as a part of the

Service Growth Development Plan are carefully fashioned to unlock economies of scale and provide cost-effective service (and ridership) growth.

Background

The Strategic Business Plan called for serving a broader set of markets such as leisure travelers and non-office commuters, operating more cost-effective service, and leveraging targeted capital investment. Since then, as the region has recovered from the pandemic, the Authority has observed stronger recovery among these new target markets than in its traditional office commuter base. Prior work in service planning has been completed to support the Southern California Optimized Rail Expansion (SCORE) Program, including the 2020 SCORE Cost/Benefit Operations Analysis (CBOA). The SGDP builds on these strategic objectives by adapting them to the lasting impacts of COVID, incorporating feedback from member agencies and other partners, and refining operational and fiscal modeling.

The SGDP does this with the goal of setting a concrete and actionable program for service transformation and growth, to be presented for consideration by the Board.

Staff provided several updates to the board over the course of 2023 on the results of market research, the development of service strategies to tap new markets and unlock operating efficiencies, and the modeling results of future service scenarios employing those strategies. At the board workshop held in January 2024, staff presented a specific service plan that applied these strategies to a weekday schedule optimized for near-term consideration. That schedule forms the basis of the planned service changes in the Fiscal Year 2025 budget under the banner of "Metrolink Reimagined."

With that effort spun off, the SGDP project continues with a focus on more distant future schedules - both for weekdays and weekends. Staff does not plan on proposing these schedules for implementation in FY2025. Staff do, however, plan to seek board adoption of the SGDP in fall 2024 as a longer-term plan and living document to support the pursuit of grants and other resources necessary to achieve the desired growth.

Discussion

The SGDP team conducted further market analyses this spring, with a particular focus on the weekend market. These involved pulling updated travel data for weekdays and weekends, along with SCAG-provided forecasts for population and employment.

Overall, the trends seen previously continue to hold in the latest data, supporting the strategies previously articulated.

SCAG forecasts show growth systemwide. Outer areas, particularly the Inland Empire, are expected to grow the most, supporting the transition to a service profile more balanced in all directions. However, the central areas of the system are forecast to continue to be the anchors, in terms of volume of demand, for the system.

The investigation into weekend demand showed that weekend demand is rather similar to weekday demand across the day except for two key differences:

- **No Commuter Peak on Weekends**

Unsurprisingly, there is no detectable commuter peak on weekends. That's not to say there aren't people working on weekends, but rather there aren't an appreciable number of white-collar 9-5 office workers commuting on those days. Workers commuting on the weekends are similar to non-office commuters during the week - working diverse schedules depending on the industry and job.

- **Later Start on Weekends**

Whether for work or leisure, those traveling on weekends tend to start traveling later in the morning. Travel demand between 8am-10am in the morning is comparable to between 8pm-10pm in the evening, whereas on weekdays those levels are achieved 2-4 hours earlier.

Between the lack of a commuter peak and the later start, total demand on weekends is softer than weekdays. Otherwise, however, hourly demand on weekends is very similar to that on weekdays and, if anything, is a little higher in the midday and in the evening than on weekdays. The result is a broad level of demand ramping up in the late morning, sustaining itself into the evening, and then ramping back down in the mid evening. There are, in short, many people traveling on the weekend.

The SGDP team is incorporating these findings into the weekend service plans under development.

Next Steps

Staff intend to return to the board in Fall 2024 with the results of the scenarios under development and with specific recommendations for future service goals.

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Attachment(s)

[Presentation - Service Growth Development Plan \(SGDP\) Update](#)