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Review and Analysis of the Bay Area Vanpool Program for the Hillsborough Area Regional Transit Authority

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Final Report

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The opinions, findings, and conclusions expressed in this report are those of the author and not necessarily those of the Hillsborough Area Regional Transit Authority, the Florida Department of Transportation or Bay Area Commuter Services. This report has been prepared as Task Order #1 of CUTR Contract 21-17-313-LO with Hillsborough Area Regional Transit Authority. Joel Volinksi and Ron Sheck, co-principal investigators.

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Executive Summary

Based on a review of vanpool programs across the country and analysis of the financial impact of the Bay Area Vanpool program on the transit systems, the Center for Urban Transportation Research (CUTR) found the current program has been successful. There are 18 vans currently in service carrying approximately 125 individuals per day. The original grant application had set a goal of 15 to 25 vans. More to the point, the program has reached this goal at a fraction of the original budgeted amount. In addition, the vanpool program is earning more additional federal and state formula funding than is being spent on the vanpool subsidies. Finally, based on discussions with Bay Area Commuter Services staff and the experiences of similar vanpool programs in Florida and the rest of the country, the vanpool program is expected to increase in size. In conclusion, the program should be continued, improvements made, and aggressively promoted.

CUTR provided a variety of recommendations and a plan of action to build on the success to date. The financing options section outlines, in priority order, how to proceed with investing the remaining funds. The programmatic improvement options offer ideas on how to improve the program. Finally, the market improvement options section presents how to grow and maintain the vanpool program without subsidies or federal transportation dollars.

As first priority, CUTR recommended that Hillsborough Area Regional Transit Authority (HART) seek another no cost time extension from FHWA. CMAQ guidance states, "While the fare/fee subsidy program itself is not limited in time, specific groups or locales targeted under the program must be rotated and subsidized fare/fee must be limited to any one entity or location for a period not to exceed 2 years." It is CUTR's interpretation that the Bay Area Vanpool program as implemented did not "entail purchasing vehicles" and, therefore, is not subject to the 3-year limitation on operating costs. In conversations with FHWA representatives, FHWA stated that CUTR's interpretation warranted further consideration. At the same time, this interpretation limits the subsidies from CMAQ funding to vanpools that have been in operation less than two years. This time extension also could be used to re-assess the institutional relationships and marketing approaches of the program.

An alternative strategy would be for HART to seek FHWA approval to revise the scope to allow for the extension of the marketing and guaranteed ride home components which are not time limited. Another option would be to allow the grant to expire but compete for the returned CMAQ funds. A fourth option would be to offer a partial payment of capital costs to existing corporate van fleets and/or purchase existing vanpool fleets in the area and merge into Bay Area Vanpool. This option would increase the visibility of the program, foster more inquiries, and encourage trial use. It also would generate additional formula funding.

For a variety of reasons, the purchase of new vans before the end of the contract period should be the option of last resort. The expenditure of funds to purchase vans would leave no funds for marketing or managing the program beyond September 1998. Purchasing 30 to 35 additional vans without identified groups would not be prudent. The purchase could be perceived as a waste of taxpayers' money as depreciation mounts and warranties expire while the fleet remains idle.

Ideas on how to improve the existing program were also offered. These suggestions include simplifying the fare structure for the program by adopting the Hillsborough fare structure. The differences in costs

between Pinellas and Hillsborough counties for the same product are substantial and complicate the marketing of the program.

HART should expand the vehicle mix by acquiring larger vehicles and seek to transition existing groups into higher capacity vans. This programmatic improvement would help keep rider fares low. Another improvement would be to promote the commute to work fringe benefit provision of the Internal Revenue Code and target employers by establishing a program like Seattle's VanPlus program to match employer van subsidies.

Among the market improvement suggestions for maintaining the vanpool program without subsidies or federal transportation dollars, CUTR recommended BACS continue to seek opportunities to expand the vanpool market in the welfare-to-work arena. CUTR recommends HART seek a loan or a grant from FDOT to cover the negative cash flow period. This recommendation was based on the success of a similar program in Connecticut where The Rideshare Company, BACS' counterpart, obtained a loan from the State of Connecticut for its vanpool program. The loan will be paid back with fares over a several year period.

Finally, CUTR noted that funding for vanpooling in the Alternatives for Mobility Enhancement Major Investment Study (MIS) would be insufficient to support Bay Area Vanpool, the three existing transportation management organizations (TMOs) in Hillsborough County and BACS in promoting vanpooling, marketing to employers, recruiting riders, and maintaining ridership levels in existing vanpools. HART and BACS should seek more financial support for vanpooling as the MIS moves forward.

Review and Analysis of the Bay Area Vanpool Program for the Hillsborough Area Regional Transit Authority

Background

In 1994, the Hillsborough Transit Authority (HART) received Congestion Mitigation Air Quality (CMAQ) funds (80% Federal/20% State/0% Local) to purchase commuter vans and implement a guaranteed ride home (GRH) program in Hillsborough County. HART contracted with Bay Area Commuter Services (BACS) to help establish and market the vanpool program – Bay Area Vanpool - and locate a management agency.

In March 1995, HART and BACS proceeded with the procurement of the vans and the management agency. In response to the Request for Proposal, VPSI provided a counter offer to purchasing the vehicles. VPSI proposed to use vans owned by VPSI and lease the vans to the program. VPSI recommended using FTA-approved regulations that allow capital funds set aside for procurement to be used to offset the capital cost included in the lease cost. HART performed an extensive cost analysis and concluded that by leasing the vans, "more than three times as many vanpools can be started and the program can be extended in time."

In late March 1995, Florida Department of Transportation (FDOT) concurred with the change and requested Federal Highway Administration (FHWA) approval.

In May 1995, the FDOT notified HART that FHWA approved their request to add "Lease Arrangement" as the method of acquisition of the vanpool portion of the project.

In March 1996, FHWA issued revised guidance on the CMAQ program. The following highlights the changes related to vanpool programs.

1. **Outreach Activities:** Under the revised guidance, public education, advertising, and technical assistance to employers may be funded under the CMAQ program for an indefinite period. The previous policy allowed up to 2 years of CMAQ funding for these activities.

2. **Rideshare Programs:** Rideshare services consisting of carpool and vanpool programs including ridematching and employer outreach may be funded under the CMAQ program for an indefinite period. Previous guidance restricted eligibility to the implementation of new or expanded services.

   However, the FHWA guidance states that "Many expenses related to vanpooling are different from the above activities, and a distinction needs to be drawn from the above policy. Unlike carpool matching services the implementation of a vanpool operation entails purchasing vehicles and providing a transportation service. These activities are not communication service and not different from other transportation services. Therefore, proposals for vanpool activities such as these must be for new or expanded service to be eligible and are subject to the 3-year limitation on operating costs."

   Under the CMAQ program, "the purchase price of a publicly-owned vehicle for a vanpool service does not have to be paid back to the Federal government. Requiring payback would place an additional constraint to wider implementation and usage of rideshare programs. Nonetheless, CMAQ funds should not be used to develop vanpool services that would be in direct competition with and impede private sector initiatives."

3. **Fare/Fee Subsidy Programs:** The previous guidance allowed short-term operating assistance to support the initiation of new transportation services but did not allow demand-side subsidies, such as fare or fee subsidies as a means of reducing transportation emissions. The revised CMAQ guidance allowed CMAQ funds to be used to subsidize fare or fees if the reduced fare/fee is offered as a component of a comprehensive, target program to reduce single occupant vehicles.

   The guidance also notes "While the fare/fee subsidy program itself is not limited in time, specific groups or locales targeted under the program must be rotated and subsidized fare/fee must be limited to any one entity or location for a period not to exceed 2 years.

   "Examples of how the fare/fee subsidy might be used included: a discounted transit fare program developed through a cooperative arrangement between a transit operator and a major employer; a program subsidizing empty seats during the formation of a new vanpool; reduced fares for shuttle services within a defined area, such as a flat-fare taxi program; or providing financial incentives for carpooling, bicycling and walking in conjunction with a demand management program."

There are 18 vans currently in service carrying approximately 125 individuals per day. The original grant application had targeted the implementation of 15 to 25 vans.

HART's current contract is scheduled to expire in September 1998. There remains nearly $850,000 out of the $1,150,000 remaining in the grant due to HART's cost-effective decision to lease rather than purchase vehicles.

The Center for Urban Transportation Research (CUTR) was hired by HART to review the program and recommend future directions. The focus was placed on how to use the remaining balance.

Project Objectives

The objectives of this report were as follows:

1. Review how other vanpool programs in the nation are operated, including fare structures and innovative programs.
2. Calculate the system operating characteristics for the Bay Area Vanpool, including the average cost per trip and impacts on revenue.
3. Develop a plan of action to determine how to proceed with spending remaining funds.
4. Offer suggestions on how to maintain the vanpool program without subsidies or federal dollars.

Overview of Vanpooling

Vanpooling usually consists of seven to fifteen people sharing the ride in a passenger van. There are three types of vanpool programs in operation today: (1) owner-operator vans (e.g., Virginia Vanpoolers Association); (2) employer-sponsored vanpools (e.g., USAA in Tampa); and, (3) third-party vanpools (e.g., VPSI).

Vanpooling serves the mid-range to long distance commute market. Based on national estimates and given standard fare structures, eight percent of commuters who live more than fifteen miles from work and work for employers with 100+ employees are potential candidates for vanpooling. However, the potential market could expand rapidly if van costs are heavily subsidized and/or significant time savings such as access to high occupancy vehicle (HOV) facilities are available. For example, the market potential increases to 19 percent if the parameters are expanded to those who live more than 10 miles and work for employers with 50+ employees (national estimate[1]).

Most vanpool programs have similar benefits and features. Typically, vanpool drivers get a free ride to work. Vanpool riders pay a low monthly fare that covers most, if not all, expenses of commuting:

- Gasoline used for commuting
- Vehicle maintenance, including oil and filter changes
- Repair bills
- Liability and personal injury insurance
- Vehicle leasing or purchase
- License fees and safety inspection stickers
- Loaner vehicles and roadside service

The benefits of vanpooling accrue to commuters, employers, and society:

Vanpool Driver Benefits:
- reduces need to purchase a personal vehicle
- receives use of vehicle for personal trips
- obtains lower insurance and maintenance costs
- requires no long term commitment (typically 30-day lease)

Vanpool Rider Benefits:
- reduces stress as employees arrive refreshed, relaxed and ready to work
- increases access to job markets
- reduces walking distance from parking lot to worksite (vanpools often enjoy preferential parking at employer sites)
- saves money on commute costs such as gasoline, and wear-and-tear on personal vehicles
- encourages new friendships

Employer Benefits:
- reduces the need for additional parking
- increases access to labor markets
- improves employee morale and employee relations
- increases productivity, reduces absenteeism and tardiness
- provides an effective, low-cost recruitment tool
- enhances employee benefits packages (tax-free subsidies allowed up to $65 per month)

Community Benefits:
- serves communities not served by transit (bus and rail)
- requires fewer passengers than a bus
- increases federal and state funds to transit
- provides a lower cost alternative of serving mid-range and long-distance commuters than transit
- generally self-supporting from "fare-box"
- reduces rush-hour congestion – each 15 passenger van can reduce up to 14 vehicles. FHWA estimates vanpool programs can reduce work trip VMT by 1 percent to 8 percent.
- improves air quality - The average car emits a quarter-pound of pollutants each mile it is driven. On a one hundred-mile commute, a single car can release 25 pounds of pollutants into the air.
- reduces dependence on fossil fuels
- provides option for other groups (e.g., Welfare to Work)

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[1] Institute of Transportation Engineers. Implementing Effective Travel Demand Management Measures. June 1993.

At the same time, vanpool programs must address issues or concerns associated with each of those groups.

Vanpool Driver Concerns:
- locating riders and back-up drivers
- collecting payments from riders
- maintaining list of back-up riders

Vanpool Rider Concerns:
- increases travel time (pick-up and drop-off) in areas without high occupancy facilities
- requires a fixed schedule (guaranteed ride home programs help overcome this concern)
- perceived high costs at the shorter trip (e.g., 15 to 20 miles) relative to what they perceive are their costs (out-of-pocket)

Employer Concerns:
- increases cost and administrative burden if employer runs own vanpool program
- impacts of employee adherence to van's schedule
- raises the potential loss of employees or proprietary information through networking with other riders

Community Concerns:
- locating source of start-up funds and marketing
- continuing turnover in ridership
- pricing structure versus transit fares

The following supporting strategies can be offered to support vanpooling.

Vanpool Supporting Strategies
- Priority HOV facilities
- Preferential parking
- Flexible work hours
- Guaranteed Ride Home
- Reduced parking charges/subsidies
- Insurance (for owner-operators)
- New start vanpools subsidies (e.g., empty seat subsidies)
- Employer-subsidies

Vanpooling also is experiencing a growth in ridership. Based on data collected by the American Public Transit Association (APTA) from the larger transit agencies (Table 1), vanpool passenger trips is growing, on average, at nearly four times the rate as motorbus passenger trips.

Table 1

Change in Passenger Trips for Motorbus and Vanpools
1995-1996

State	Urbanized Area	1996 Motorbus Trips (000)	1996 Vanpool Trips (000)	1995 Motorbus Trips (000)	1995 Vanpool Trips (000)	Pct Change Motorbus Trips (000)	Pct Change Vanpool Trips (000)
AK	Anchorage	3,069.7	44.7	3,018.3	29.6	1.7%	51.0%
TX	Austin-Capital Metro	28,603.4	462.5	26,575.1	398.1	7.6%	16.2%
AL	Birmingham-Max	2,851.0	113.9	4,102.8	115.2	-30.5%	-1.1%
WA	Bremerton-Kitsap Transit	4,331.1	369.8	3,798.6	204.5	14.0%	80.8%
IL	Chicago-RTA-Pace	33,550.8	977.5	34,832.2	773.5	-3.7%	26.4%
CO	Fort Collins-Transfort	1,231.8	98.6	1,197.9	60.6	2.8%	62.7%
TN	Nashville	6,588.3	125.8	6,640.0	97.3	-0.8%	29.3%
VA	Norfolk-TRT	8,214.3	72.3	7,532.8	106.1	9.0%	-31.9%
FL	Orlando-LYNX	15,194.2	160.3	13,572.8	186.0	11.9%	-13.8%
AZ	Phoenix-RPTA	2,526.4	426.1	2,508.9	351.4	0.7%	21.3%
OR	Portland	4,936.3	18.3	4,193.4	16.9	17.7%	8.3%
WA	Richland-Ben Franklin	3,727.6	564.8	3,356.5	467.2	11.1%	20.9%
WA	Seattle-Metro	59,424.9	1,917.4	57,466.8	1,840.2	3.4%	4.2%
WA	Snohomish County	6,786.1	378.0	5,672.0	216.6	19.6%	74.5%
WA	Spokane-STA	7,832.0	78.2	7,467.1	77.5	4.9%	0.9%
WA	Tacoma-Pierce Transit	11,493.3	309.5	10,734.4	272.0	7.1%	13.8%
NC	Winston-Salem-WSTA	2,958.4	365.6	3,218.7	333.7	-8.1%	9.6%
	TOTAL	**224,439.3**	**6,797.8**	**213,637.2**	**5,546.4**	**5.1%**	**22.6%**

Source: APTA

Vanpooling is also growing in Florida. There are an estimated 200 public and private vanpools in Florida (e.g., Space Coast Transit, Lynx, HART, PSTA, Metro Dade, USAA, and Prudential).

Review of Vanpool Programs

The purpose of this task was to review other vanpool programs to provide a frame of reference for the Bay Area Vanpool program. The appendix contains summaries of the vanpool programs with a special emphasis on the unique or innovative approaches of the various vanpool programs. Where available, the fare structures are included.

Table 2 shows how transit systems use different delivery approaches (i.e., directly operated versus purchased transportation) for vanpooling. Though most of the programs who report the data through Section 15 operate their own vanpool programs many purchase their transportation services like HART. All of the systems with 100 or more vanpools use public subsidies and the use of a variety of financial and other incentives. More detailed descriptions of many of the programs listed in Table 2 are contained in the appendix.

It should be noted that revenues from vanpooling are not required to be identified in the Section 15 reporting process and, therefore, are not available for estimating the farebox cost recovery ratio for each system.

Table 2

1995 Vehicle Operating Expenses for Vanpools

	Transit Agency Name	Veh. Oper. in Max Service	Vehicle Operating Expenses (in thousands)						
			Vehicle Oper.	Vehicle Main.	Non-Vehicle Main.	Gen. Admin	Purch. Trans.	Total	Operating Expense per VOMS
WA	Seattle-Metro	513	1988.6	0.3	1.4	5130.4	0.0	7120.8	$ 13.88
IL	Chicago-RTA-Pace	205	544.9	255.8	0.0	2398.6	0.0	3199.3	$ 5.61
WA	Bremerton-Kitsap Transit	113	89.3	128.3	0.0	104.1	0.0	321.7	$ 2.85
TX	Austin-Capital Metro	99	0.0	0.0	0.0	0.0	1047.4	1047.4	$ 10.58
WA	Richland-Ben Franklin	94	352.1	221.6	169.9	202.6	0.0	946.2	$ 10.07
AZ	Phoenix-RPTA	85	0.0	0.0	0.0	0.0	693.5	693.5	$ 8.16
WA	Tacoma-Pierce Transit	78	452.3	67.8	7.0	93.0	0.0	620.2	$ 7.95
NC	Winston-Salem-WSTA	62	176.3	92.3	0.0	136.4	0.0	405.0	$ 6.53
FL	Orlando-LYNX	49	0.0	0.0	0.0	0.0	364.0	364.0	$ 7.43
UT	Salt Lake City-UTA	37	0.0	0.0	0.0	0.0	320.7	320.7	$ 8.67
NC	Durham-Triangle Transit	30	233.5	51.0	0.0	0.0	0.0	284.5	$ 9.48
IL	St. Louis-MCT	26	0.0	0.0	0.0	0.0	494.5	494.5	$ 19.02
WA	Spokane-STA	25	45.4	18.7	0.9	70.3	0.0	135.2	$ 5.41
GA	Atlanta-CCT	24	0.0	0.0	0.0	0.0	303.4	303.4	$ 12.64
WA	Olympia-IT	24	83.5	17.5	0.0	19.8	0.0	120.9	$ 5.04
NC	Charlotte-CTS	21	13.9	14.4	0.0	82.2	0.0	110.4	$ 5.26
AL	Birmingham-Max	18	49.6	19.1	0.0	44.5	0.0	113.2	$ 6.29
CO	Fort Collins-Transfort	17	22.4	7.7	0.0	42.1	0.0	72.2	$ 4.25
GA	Atlanta-Douglas Co.	13	16.0	26.4	0.0	58.7	0.0	101.2	$ 7.78
VA	Norfolk-TRT	10	22.6	27.3	0.0	37.4	0.0	87.2	$ 8.72
WA	Vancouver-C-Tran	6	10.7	21.7	0.0	2.8	0.0	35.1	$ 5.85
WA	Bellingham-WTA	2	0.0	0.0	0.0	0.0	91.5	91.5	$ 45.75
AL	Huntsville	1	9.1	3.8	0.0	19.0	0.0	31.8	$ 31.80

The following highlights similar vanpool programs in Florida.

Space Coast Area Transit

In Brevard County, the Space Coast Area Transit vanpool fleet consists of 95 vans. Management of the vanpool program is contracted to VPSI, Inc. VPSI leases vans to commuters and social services agencies throughout the county. The vanpool fleet carries approximately 1,100 passengers per day and travels over 5,000 miles per day.

The Space Coast Commuter Assistance Program assists commuters in finding alternative ways to commute other than the Single Occupant Vehicle. This can include carpool matching services, employer parking incentive programs, park and ride development, and telecommuting options. There are no fees for commuter assistance services.

Vanpool groups pay $400 per month for commuters and $575 per month for social service agencies. Gas, tolls, and parking are not included in this fare.

LYNX

In Orlando, LYNX operates the VanPlan commuter vanpool service. To start a vanpool, a minimum of six to eight participants is recommended; however, VanPlan vehicles can accommodate larger groups. Three different seating arrangements are offered with 12, 14, or 15-passenger capacity. Based on availability, participants may select the vehicle of their choice.

Typically, one person from among the group volunteers as the primary driver; however, several, or all of the participants may share the driving. In fact, all participants are encouraged to register as drivers even if they don't share the daily driving responsibilities. The VanPlan requires no long term commitment from its members. Individuals participate on a month to month basis. Any participant that is registered may use the van for errands during the work day or at lunchtime provided they coordinate the arrangements with the primary driver. The routes, a convenient schedule, and pick-up/drop-off locations are all determined by the driver in cooperation with the vanpool members.

The vanpool's primary driver has personal use of the van on evenings and typically commutes free of charge. If there is more than one driver, a schedule for evening and weekend use can be developed by the primary driver. The VanPlan program offers unlimited mileage to its members.

The cost of a VanPlan vanpool is $445.00 per month. This cost, which is shared by the participants, includes all maintenance and repair services and insurance. Gas, tolls, and parking are additional costs shared by the participants. The monthly VanPlan fee is paid at the beginning of each month and assures each member a seat on the van for the entire month.

LYNX calculates the VanPlan's contribution to their FY96 apportionment to be $735,684.

Florida Department of Transportation

The Florida Department of Transportation Public Transit Office is currently operating a statewide vanpool demonstration project to test the theory of fully subsidizing the capital costs of vanpooling. Commuter vehicles were purchased and added to the State Bus Fleet. A mix of basic commuter vans and executive style vans were purchased. The Transit Office believes one of the factors prohibiting effective vanpool arrangements is the high cost of vanpool fares versus the low perceived cost of driving alone. The 18 month demonstration will evaluate the impact of vehicle types and fare structures.

Summaries of other vanpool programs, including fare schedules when available, are included in the appendix.

Analysis of Bay Area Vanpool Program

In FY98, HART's operating expenses for Bay Area Vanpool were estimated to have operated at approximately $0.44 per vehicle revenue mile, $0.10 per passenger mile, and $3.53 per trip. The various unit costs for the vanpool program show a downward trend over the first three years of the program. As the vanpool program continues to mature the unit costs should expect to stabilize rather than continue to decrease at the same rate.

Vanpools typically have lower unit operating costs than the other transit modes because the vanpools use a volunteer driver and the long distance operating nature of vanpools, in general. Even though vanpools carry fewer passengers than a bus, the vanpools carry them a longer distance. For example, an 8 person vanpool travelling 50 miles per day would yield 400 passenger miles. A transit bus carrying 40 people for 10 miles would yield the same number of passenger miles.

Table 3
Average Operating Cost Per Revenue Vehicle Mile, Passenger-Mile, and Passenger Trip
For HART Services FY96-FY98

					FY96		FY97		FY98 (est)
Bus Revenue Vehicle Miles									
	DO	MB		$	4.49	$	4.21	$	4.19
	PT	MB		$	2.50	$	5.33	$	84.49
	PT	VP		$	1.33	$	0.71	$	0.44
	PT	DR		$	1.69	$	2.62	$	3.47
			TOTAL	$	3.19	$	3.72	$	4.06
Passenger-Miles									
	DO	MB		$	0.63	$	0.61	$	0.63
	PT	MB		$	0.56	$	3.33	$	0.56
	PT	VP		$	0.24	$	0.17	$	0.10
	PT	DR		$	1.58	$	1.53	$	1.58
			TOTAL	$	0.71	$	0.68	$	0.69
Passengers-Trips									
	DO	MB		$	2.92	$	2.82	$	2.92
	PT	MB		$	2.58	$	15.27	$	2.58
	PT	VP		$	6.58	$	5.43	$	3.53
	PT	DR		$	15.11	$	15.68	$	15.11
			TOTAL	$	3.47	$	3.31	$	3.47

As the above table shows, the Bay Area Vanpool program has been a very cost-effective investment for HART and the Tampa Bay area. Also, by reporting the vanpool mileage as part of the National Transit Database, the area's transit systems should expect to increase the amount of state and federal revenue as the result of increases in passenger miles, trips and vehicle revenue miles due to the vanpool program.

The Table 4 summarizes the overall impact of the vanpool program on formula funding for the first three years. The first column shows the formula funding that was generated for the Tampa Bay region due to motorbus and paratransit services including directly-operated and purchased services but excluding the contribution of the vanpool program. The second column includes those costs plus the vanpool operating statistics. The subsequent columns forecast the revenue impacts under a steady growth scenario. The appendix uses the same approach to estimate future impacts based on a steady growth of the program to 50 vanpools.

Table 4
Financial Impact of Vanpool Program to Bay Area
FY96 and FY97

			FY96 w/o VP	FY96 w/ VP	FY97 w/o VP	FY97
Bus Tier						
Bus Revenue Vehicle Miles						
HARTLine						
	DO	MB	4,941,680	4,941,680	5,294,645	5,294,645
	PT	MB	856,200	856,200	25,318	25,318
	PT	VP	-	114,554	-	207,648
	PT	DR	3,748,532	3,748,532	1,827,504	1,827,504
			9,546,412	9,660,966	7,147,467	7,355,115
PSTA						
	DO	MB	6,213,190	6,213,190	6,358,229	6,358,229
	PT	DR	1,125,090	1,125,090	1,085,460	1,085,460
	PT	VP	-	-	-	-
			7,338,280	7,338,280	7,443,689	7,443,689
PATS						
	DO	DR	538,270	538,270	538,270	538,270
	PT	DR	133,730	133,730	133,730	133,730
	PT	VP	-	-	-	-
			672,000	672,000	672,000	672,000
Combined Totals			17,556,692	17,671,246	15,263,156	15,470,804
Federal			$ 0.38184824	$ 0.38184824	$ 0.38184824	$ 0.38184824
Formula Funding			$ 6,703,992	$ 6,747,734	$ 5,828,209	$ 5,907,499
State			$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457
Formula Funding			2,043,855	2,057,190	1,776,854	1,801,027
			Combined			
Formula Funding			$ 8,747,847	$ 8,804,925	$ 7,605,063	$ 7,708,526
Gain over Baseline			$ -	$ 57,078	$ -	$ 103,463
Bus Incentive Tier						
Passenger-Miles						
HARTLine						
	DO	MB	35,051,080	35,051,080	36,465,086	36,465,086
	PT	MB	3,818,573	3,818,573	40,504	40,504
	PT	VP	-	634,238	-	883,008
	PT	DR	4,012,946	4,012,946	3,126,060	3,126,060
			42,882,599	43,516,837	39,631,650	40,514,658

Table 4
Financial Impact of Vanpool Program to Bay Area
FY96 and FY97

			FY96 w/o VP	FY96 w/ VP	FY97 w/o VP	FY97
PSTA - FY96						
	DO	MB	36,660,850	36,660,850	35,658,818	35,658,818
	PT	DR	1,960,920	1,960,920	1,226,056	1,226,056
	PT	VP	-	-	-	173,557
			38,621,770	38,621,770	36,884,874	37,058,431
PATS (FY96)						
	DO	DR	1,002,890	1,002,890	1,002,890	1,002,890
	PT	DR	161,380	161,380	161,380	161,380
	PT	VP	-	-	-	-
			1,164,270	1,164,270	1,164,270	1,164,270
Combined Totals			82,668,639	83,302,877	77,680,794	78,737,359
Operating Expenses						
HARTLine						
	DO	MB	$ 22,205,330	$ 22,205,330	$ 22,291,283	$ 22,291,283
	PT	MB	2,139,061	2,139,061	134,946	134,946
	PT	VP		151,979	-	146,479
	PT	DR	6,337,172	6,337,172	4,788,973	4,788,973
			$ 30,681,563	$ 30,833,542	$ 27,215,202	$ 27,361,681
PSTA						
	DO	MB	$ 24,206,990	$ 24,206,990	$ 24,127,335	$ 24,127,335
	PT	DR	1,960,920	1,960,920	1,866,207	1,866,207
	PT	VP	-	-	-	12,441
			$ 26,167,910	$ 26,167,910	$ 25,993,542	$ 26,005,983
PATS - FY96						
	DO	DR	1,655,110	1,655,110	1,655,110	1,655,110
	PT	DR	242,180	242,180	242,180	242,180
	PT	VP	-	-	-	-
			1,897,290	1,897,290	1,897,290	1,897,290
Combined Totals			$ 58,746,763	$ 58,898,742	$ 55,106,034	$ 55,264,954
Bus Incentive Tier						
Federal			82,668,639	83,302,877	77,680,794	78,737,359
Formula Funding		X	82,668,639	83,302,877	77,680,794	78,737,359
Bus Incentive Tier			6.83E+15	6.94E+15	6.03E+15	6.20E+15
		/	58,746,763	58,898,742	55,106,034	55,264,954
			116,331,582	117,818,634	109,503,539	112,179,080
		X	$ 0.00320813	$ 0.00320813	$ 0.00353153	$ 0.00353153
			$ 373,207	$ 377,977	$ 386,715	$ 396,164
Gain over Baseline			$ -	$ 4,771	$ -	$ 9,449

Table 4
Financial Impact of Vanpool Program to Bay Area
FY96 and FY97

			FY96 w/o VP	FY96 w/ VP	FY97 w/o VP	FY97
Passengers-Trips						
HARTLine						
	DO	MB	7,603,839	7,603,839	7,915,236	7,915,236
	PT	MB	828,297	828,297	8,839	8,839
	PT	VP	-	23,114	-	26,964
	PT	DR	419,354	419,354	305,424	305,424
			8,851,490	8,874,604	8,229,499	8,256,463
PSTA						
	DO	MB	7,881,320	7,881,320	8,004,295	8,004,295
	PT	DR	175,410	175,410	186,215	186,215
	PT	VP	-	-	-	-
			8,056,730	8,056,730	8,190,510	8,190,510
PATS - FY96						
	DO	DR	126,050	126,050	126,050	126,050
	PT	DR	13,530	13,530	13,530	13,530
	PT	VP	-	-	-	-
			139,580	139,580	139,580	139,580
Combined Totals			16,921,750	17,057,384	16,546,059	16,573,023
State TDBG			$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823
Formula Funding			$ 1,392,769	$ 1,403,932	$ 1,361,847	$ 1,364,066
Gain over Baseline			$ -	$ 11,164	$ -	$ 2,219
Regional Financial Impact						
FTA & FDOT Bus Tier			$ 8,747,847	$ 8,804,925	$ 7,605,063	$ 7,708,526
FTA Incentive Tier			$ 373,207	$ 377,977	$ 386,715	$ 396,164
FDOT TDBG			$ 1,392,769	$ 1,403,932	$ 1,361,847	$ 1,364,066
			$ 10,513,822	$ 10,586,835	$ 9,353,625	$ 9,468,756
Net Increase in Revenue				$ 73,012		$ 115,131

Table 5 shows federal unit values of data for Fiscal Year 1997 formula grant apportionments to transit systems. These unit values were used to evaluate the financial impact of the Bay Area Vanpool program to this region. Furthermore, cash-flow projections are estimated with a steady growth in the vanpool program and the use of CMAQ to cover cash-flow shortfalls in the short term. In the out years, using the vanpool growth assumptions, similar federal and state grant funding levels, and consistent reporting of vanpooling data in the National Transit Database reports, the vanpool program should generate enough revenue to support the same share of capital costs after the CMAQ funds are fully expended.

If the program grows to 50 vanpools then the Tampa Bay region should receive about $534,000 per year in additional federal and state revenues due to increases in vehicle revenue miles, passenger trips, and passenger miles based on prior year funding formulae. Of course, similar increases in transit ridership should yield similar increases in revenue.

The projections assume the current federal rate is constant beyond FY99. State block grant program funds are distributed based on a proportional basis among the Florida transit agencies based on a formula using their population, passenger trips, and revenue miles. The amount allocated to HART was recalculated in the form of a "cents per mile" rate and applied to the estimated revenue miles in a manner similar to federal allocation of transit funds. Current unit values are shown in Table 5. It should be noted that substantial changes in passenger trips and/or revenue miles among transit properties in Florida could cause the state rate to vary significantly from year to year for HART.

Table 5
Federal Unit Values of Data Fiscal Year 1997 Formula Grant Apportionments

Section 5307 Urbanized Area Formula Program	Unit Values of Data	FY 1998 Apportionments
Bus Tier		
	Population	$1.88979937
	Population x Density	$0.00083226
	Bus Revenue Vehicle Mile	$0.38184824
Bus Incentive	Bus PM x Bus PM (PM denotes Passenger Mile)	$0.00353153

It should be noted there is a two to three year lag between the time transit systems include the vanpool impacts in their NTD reports until the additional federal or state formula funding is received. Cash flow projections are included in Table 6. Variations to this table could be expected if the vanpool program grows much quicker or slower than forecasted. A rapid growth rate might exhaust the CMAQ funds before the incremental increases in federal and state transit revenue actually appear in the area's funding allocations due to the lag. A slower growth rate may not fully use the CMAQ funds

Table 6
Cash-Flow Projections for Bay Area Vanpool Program

	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03
Cash Flow w/CMAQ								
Revenues								
HART	$ -	$ -	$ -	$ 32,855	$ 51,809	$ 112,668	$ 169,458	$ 242,502
PSTA	$ -	$ -	$ -	$ 35,776	$ 56,414	$ 122,683	$ 184,521	$ 264,058
PATS	$ -	$ -	$ -	$ 4,381	$ 6,908	$ 15,022	$ 22,594	$ 32,334
PATS (VP)	$ -	$ -	$ 40,000	$ -	$ -	$ -	$ -	$ -
CMAQ - HART	$ 151,979	$ 146,479	$ 199,440	$ 218,592	$ 261,684	$ 171,826	$ -	$ -
CMAQ - PSTA	$ -	$ 12,441	$ 49,860	$ 69,012	$ 97,740	$ 20,947	$ -	$ -
Subtotal	$ 151,979	$ 158,920	$ 289,300	$ 360,616	$ 474,555	$ 443,147	$ 376,574	$ 538,894
Expenses								
HART	$ 151,979	$ 146,479	$ 199,440	$ 218,592	$ 261,684	$ 261,684	$ 261,684	$ 261,684
PSTA	$ -	$ 12,441	$ 49,860	$ 69,012	$ 97,740	$ 97,740	$ 97,740	$ 97,740
PATS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 151,979	$ 158,920	$ 249,300	$ 287,604	$ 359,424	$ 359,424	$ 359,424	$ 359,424
Net Revenues (Expenses)	$ -	$ -	$ 40,000	$ 73,012	$ 115,131	$ 83,723	$ 17,150	$ 179,470
Cumulative Net Revenues (Expenses)	$ -	$ -	$ 40,000	$ 113,012	$ 228,144	$ 311,867	$ 329,017	$ 508,487
Cumulative CMAQ (HART)	$ 151,979	$ 298,458	$ 497,898	$ 716,490	$ 978,174	$ 1,150,000	$ 1,150,000	$ 1,150,000
Cumulative CMAQ (PSTA)	$ -	$ 12,441	$ 62,301	$ 131,313	$ 229,053	$ 250,000	$ 250,000	$ 250,000

There have been 16 vanpools formed through the Hillsborough CMAQ grant and 2 vanpools formed through the Pinellas MPO/PSTA CMAQ grant. Some of the difference may be attributable to commuting patterns. Though the percentage of people who live and work in the same county are similar, there are nearly twice as many people who live in Pinellas County and work in Hillsborough County as flow in the other direction. Over 90 percent of Hillsborough residents and 88 percent of Pinellas County residents remain in the county to work. However, according to the 1990 Census, there are nearly twice as many commuters from Pinellas to Hillsborough than Hillsborough to Pinellas. There are approximately 17,000 Hillsborough County residents who work in Pinellas but 32,000 Pinellas residents who work in Hillsborough. This commuter flow may help partially explain the difference in the number of vanpools between the two counties.

Another plausible explanation can be found in the pricing structures of both programs. For example, a commuter with a daily roundtrip of 40 miles bound for Pinellas County in a 9 passenger van with bench seating would pay nearly 50 percent more than a commuter travelling the same distance in the same van bound for Hillsborough (after Pinellas's six month capital cost discount expired).

This dual fare structure poses significant obstacles in marketing to employers and commuters alike. To determine which costs to use, see Table 7 and refer below.

Table 7
Applicable Fare Table

	And lives in ...		
If commuter works in ...	Hillsborough County	Pinellas County	Other County
Hillsborough County	Use Hillsborough County costs (Table 5)	Use Hillsborough County costs (Table 5)	Use Hillsborough County costs (Table 5)
Pinellas County	Use Pinellas County costs (Table 6)	Use Pinellas County costs (Table 6)	Use Pinellas County costs (Table 6)
Other County	Use Hillsborough County costs (Table 5)	Use Pinellas County costs (Table 6)	Contact BACS

Other examples of different fare structures in the same metropolitan region can be found. Usually the differences are in the form of surcharges but the amount is nominal. For example, Kitsap Transit's (Washington) maximum fare is only $64 with the out-of-county surcharge. Austin (Texas) commuters paid $10 per month (current rate is $25) to ride in a van if they lived within the transit company's service area but market rates outside of that area.

The Pinellas rates, after the six month capital cost discount, also show what the passenger cost would be for HART riders if the HART's partial payment of capital costs through the use of the CMAQ grant was removed.

Table 8

Bay Area Vanpool Fare Structure
Hillsborough-Bound

	Hillsborough Bound Commuters		
Daily Round Trip Mileage	8 passenger luxury seating	9 passenger – bench seating	15 passenger - bench seating
	Number of Paying Passengers		
	7	8	14
40	$65	$59	$46
60	70	63	49
80	75	68	52
100	80	72	54
120	85	76	57
140	90	81	60

Table 9

Bay Area Vanpool Fare Structure
Pinellas-Bound

	Pinellas Bound Commuters			
Daily Round Trip Mileage	9 passenger - bench seating – first 6 months	9 passenger - bench seating – after 6 months	15 passenger – bench seating – first 6 months	15 passenger – bench seating – first 6 months
	Number of Paying Passengers			
	8	8	14	14
40	$76	$90	$51	$63
60	81	94	54	66
80	85	99	57	69
100	89	103	60	72
120	94	108	63	74
140	98	112	66	77

*Note: Rates are based on $1.25 per gallon and 21 workdays per month. Prices subject to change.
Total costs are divided by the number of passengers. Fewer passengers than shown would raise the cost.

Issues

The operation of a vanpool program involves substantially more than purchasing vans. There are short term and long term considerations for the involved parties.

1. Regardless of what happens to the CMAQ funds, the current contract with VPSI will expire this year. Who will operate the program? Where will the funds come from? Can contract be extended?
2. Removal of the subsidies will result in much higher fares and probability that participants will either (a) form carpools (b) transition into a larger van (VPSI will probably resell the vans in use as fares would be significantly higher than 15-passenger vans), (c) be forced to quit job, or (d) revert to single occupant vehicle.
3. Tax code changes could help increase the number of Bay area employer that provide subsidies of vanpools and transit. Internal Revenue Code allows employers to provide most employees with up to $65 per month in tax-free commute to work fringe benefits for transit and vanpooling.
4. Welfare-to-work clients may create new opportunities for expanding the vanpool market.
5. Small vehicles may have more appeal to groups however, large vans (15-passenger) offer the best value for the commuter and the transit system, especially if subsidies are removed.
6. Purchase of vans may not be an option. According to CMAQ guidance, "Consistent with the metropolitan planning regulation of October 28, 1993 (CFR 450.300), States and MPOs should consult with the private sector prior to using CMAQ funds to purchase vans, and if local private firms have definite plans to provide adequate vanpool service, CMAQ funds should not be used to supplant that service." In addition, VPSI, as part of Florida-owned Team Rental (owners of Budget Rental) enjoys a substantial bulk rate discount for purchasing vans that HART may not be able to match.

Recommendations and Plan of Action

Based on a review of vanpool programs and analysis of the current program, CUTR provides the following recommendations and plan of action. The financing options section outlines, in priority order, how to proceed with investing the remaining funds. The programmatic improvement options offer ideas on how to improve the product and grow the program. Finally, the market improvements options list how to maintain the vanpool program without subsidies or federal transportation dollars.

Financing Options – The following options are listed in priority order.

1. **HART should seek another no cost time extension from FHWA.** CMAQ guidance states, "While the fare/fee subsidy program itself **is not limited in time** [emphasis added], specific groups or locales targeted under the program must be rotated and subsidized fare/fee must be limited to any one entity or location for a period not to exceed 2 years." It is CUTR's interpretation that the Bay Area Vanpool program as implemented did not "entail purchasing vehicles" and, therefore, is not subject to the 3-year limitation on operating costs. At the same time, this interpretation means no subsidies from CMAQ funding for existing vans that have been in operation longer than two years. This time extension also could be used to re-assess the institutional relationships and marketing approaches of the program.
2. Failing the above, **HART should seek FHWA approval to revise the scope to allow for the extension of the marketing and guaranteed ride home components which are not time limited.** This may result in the loss of most of the CMAQ dollars.
3. **Allow the grant to expire but compete for the returned CMAQ funds.** According to FHWA, unspent CMAQ funds return to the region. This would entail some risk but given strong support for the program by the parties involved such as HART and BACS the risk could be reduced. See programmatic and market improvements that could be included in a new grant.
4. **Provide partial financial support of capital costs to existing corporate van fleets and/or purchase existing vanpool fleets in the area and incorporate into Bay Area Vanpool.** CMAQ funds would be used to purchase full *vanpools* rather than *empty vehicles*. This was part of The Rideshare Company's strategy in Hartford for growing their fleet. In Tampa, for example, USAA operates nearly twice as many vanpools in the area as Bay Area Vanpool. This merger strategy would increase the visibility of the program in the area that in turn could increase inquiries and trial use. The additional passenger miles also would generate additional revenue for the program.
5. **Pre-pay interest on existing vans.** To our knowledge, this option has not been pursued by any vanpool program. Additional research would be warranted after receiving approval from FHWA on the possible use of the funds in such a manner.
6. **Purchase vans before the end of the contract period.** This option should be the one of last resort. It fulfills only one portion of the business needs for vanpooling. In addition, spending the funds on the purchase of new vehicles does not provide room for growth. The purchase option would be the equivalent of opening a small business by spending all your money on rent but having no one to sell the products. Given HART's own analysis that leasing makes more sense than purchasing, HART should not assume FHWA would approve the change. The lack of demand for the 30 to 35 vans that could be bought also could be perceived as a waste of taxpayers' money as depreciation mounts and warranties expire while the fleet remains idle. Purchasing new vans to replace the VPSI vans would require significant other activities such as acquiring insurance, handling maintenance, transitioning existing groups, and establishing driver selection procedures. VPSI's purchasing power (over 1,000 new vans per year) also could offset any perceived savings that might accrue to purchasing vans on a public contract. Finally, according to CMAQ guidance, "Consistent with the metropolitan planning regulation of October 28, 1993 (CFR 450.300), States and MPOs should consult with the private sector prior to using CMAQ funds to purchase vans, and if local private firms have definite places to provide adequate vanpool service, CMAQ funds should not be used to supplant that service."

   However, there may be opportunities for addressing the lack of purchasing power relative to VPSI if the desire is to initiate a publicly owned and operated service. In Connecticut, for example, an innovative approach for lowering the insurance cost was used. Conventional van insurance would have cost 2Plus, a non-profit corporation, approximately $1,300 per vehicle. By successfully arguing the common public service mission to the State Insurance Purchasing Board, 2Plus was able to obtain van insurance under the state policy and reduced to $400 to $500 per vehicle. They estimate they saved $160,000 annually over 200 vans.

Programmatic Improvement Options – ideas on how to improve the existing program

1. **Simplify the fare structure for the program by adopting the Hillsborough fare structure.** The differences in costs between Pinellas and Hillsborough counties for the same product are substantial and complicate the marketing of the program.
2. **Use the funds generated by the vanpool program by including the passenger revenue miles, etc. in the NTD reports to support the program.** As the implementing agency for the vanpool program, BACS also should be involved in the discussions on how the additional revenue may be reallocated to the vanpool program. Additional formula funds resulting from the vanpool program should be used to support the program, including marketing and management costs.
3. **Move more CMAQ funds into the marketing of the program and develop new products and pricing strategies.** Delays in starting the program deferred the positive cash flow for HART from occurring until after the CMAQ grant expired. Marketing strategies should include more than promotional activities. Changes to the product mix and pricing tactics could contribute to the continued growth. The following identifies product and pricing strategies believed to be appropriate for the Tampa Bay market. Promotion and public relations activities should be developed for each of these strategies.

   Product: Acquire larger vehicles and seek to transition existing groups into higher capacity vans. To keep their fares low, HART should acquire larger but similarly equipped vehicles so the groups can add riders and more passenger miles can be obtained for the same cost. Larger vehicles may help vanpool groups who receive subsidies for two years to transition to non-CMAQ subsidized vanpools.

   Pricing: Matching Employer Van Subsidies. In Seattle, VanPool Plus is a partnership demonstration program that subsidizes vanpool fares to make vanpools more attractive to commuters. Participating employers receive matching funds from King County Metro in the form of Commuter Bonus checks and distribute them to their employees. Employees apply Commuter Bonus checks toward their vanpool fares. To participate in the program, employers must increase the current vanpool subsidy or be willing to offer a new vanpool subsidy to employees. Metro will match the employer's subsidy level up to $15.00 per month. Because Metro matches the employer's subsidy level, VanPool Plus offers an additional fare savings to employees who commute by vanpool. Metro will subsidize monthly vanpool fares in $5, $10 or $15 increments. The employer or jurisdiction must provide an equivalent dollar amount toward VanPool Plus matching funds. Metro will consider only new financial incentives offered by an employer or jurisdiction. Employers who currently offer full vanpool subsidies to all employees must provide additional matching funds towards other Commuter Trip Reduction program elements to participate in the VanPool Plus program. Metro will match the subsidy increase. The funds will be used to strengthen the work site's overall Commuter Trip Reduction program.

   Pricing: Develop a targeted employer campaign on the Commute-to-Work fringe benefit provision of the Internal Revenue Code. Under the federal tax code, employers can exclude from gross income subsidies provided to employees for the cost of transit and vanpool fares up to $65 per month per employee. Research conducted by the Association for Commuter Transportation on behalf of EPA and USDOT found nearly all employers were unaware of this option. Coupled with an employer subsidy matching program such as Seattle's VanPlus program, Bay Area Vanpool could lower the price by increasing the subsidy without public funds.

   Pricing: Develop a VanSave Program for existing vanpools that are experiencing problems in their passenger levels due to the loss of riders. While the current partial payment of capital costs helps new groups form, difficulties arise when an existing vanpool loses riders due to relocation, layoffs, etc. A program aimed at helping existing vanpools would provide more time to the riders to locate additional riders without increasing their fares and thus reducing attrition. For example, the VanSave program is part of the Virginia Vanpool Assistance Program, sponsored by the Virginia Department of Rail and Public Transportation. The Virginia Vanpool Assistance effort provides temporary funding for vanpools having trouble filling all of their seats. There are two different programs: the VanStart Program, which funds empty seats during the critical start up phase of new vanpools; and the VanSave Program, which is for existing vanpools that are experiencing problems in their passenger levels due to the loss of riders.

4. **Establish a support system for existing vanpools.** HART, PSTA, BACS and the TMOs could adopt the following creative ideas found in other areas of the country to support and maintain ridership in the existing vanpools. In addition to continuing the guaranteed ride home program and starting the VanSave program described above, the following low cost programs should be developed.

   Vanpool Parking and Boarding Zones. Offer free or discounted parking reserved exclusively for vanpools. Vanpools traveling to Boston also have the opportunity to use public Vanpool Boarding Zones conveniently located on major commuting routes throughout the city.

   Transit/Vanpool Combo Pass. In Chicago, passengers who intend on using a Pace fixed route bus to get to or from a vanpool pick-up location can be issued a monthly Pace Commuter Club Card, valid not only on the authorized vanpool but also on Pace fixed route services Monday through Sunday. Passengers may also opt to purchase a CTA/Pace Everyday Monthly Pass, which is valid on all CTA and Pace fixed route services, at a discounted rate. Some employers offer payroll deduction for fare payment after the vanpool is stable. Passengers are required to present their validated monthly Pace Vanpool Pass, Pace Commuter Club Card, or CTA/Pace Everyday Monthly Pass for inspection to the vanpool driver prior to each trip. Failure to have the Pace Vanpool Pass, Pace Commuter Club Card, or CTA/Pace Everyday Monthly Pass in the rider's possession each time he or she rides the vanpool may result in the assessment of a surcharge equal to the monthly vanpool fare payment. Repeat violations may result in his or her termination from the vanpool and suspension of the driver from the program.

   Offer Additional Convenience Incentives. In Chicago, Pace Vanpool provides the driver with a cellular phone for emergency purposes. All monthly charges and personal calls made are the responsibility of the driver. However, Pace will reimburse the driver the monthly basic cellular phone service charge and all applicable taxes. Tollway cards and I-Pass transponder units are provided to vanpool drivers who utilize the tollway on their work trip commute. Pace covers all toll costs along the approved vanpool commute route when the tollway card is used at a toll booth.

Market Improvement Options - how to maintain the vanpool program without subsidies or federal transportation dollars.

1. **Continue to seek opportunities to expand vanpool market in the welfare-to-work arena.** According to BACS, significant growth is possible in the WAGES program. However, driver requirements and reported difficulties in maintaining the vehicle's ridership once the riders are able to purchase their own vehicle will require more hands-on support. Though federal dollars are usually involved, the financial support for these vanpools likely will come from non-traditional sources of transit funding.
2. **Seek a grant or a loan from FDOT to continue the partial payment of capital costs.** In Hartford, The Rideshare Company (TRC) helped create a new non-profit corporation (2Plus, Inc.) and a new vanpool system, EasyStreet™, in response to corporate vanpool fleet downsizing. TRC acquired and consolidated corporate vanpool fleets and provides administrative, marketing, and customer service support. Corporations helped finance the transfer, saving hundreds of thousands on dollars in the start-up phase. The focus of the effort is to increase accessibility and reliability. According to Byron York, 2Plus president, their national private non-profit status was "able to justify our requests for below market-rate financing, factor in adequate maintenance and replacement costs, and more important, we were able to leverage our position to overcome a serious insurance obstacle." There were no subsidies

involved. The State of Connecticut became an investor, rather than simply a grantor of funds. The State, as an investor, would get a return on its investment paid back over 3 to 5 years.

3. **Increase the vanpooling and TDM portion in the Tampa Bay Alternatives for Mobility Enhancement Major Investment Study (MIS).** According to a fax received by CUTR from BRW on March 23, the TDM portion of the Transportation Management (TSM/ITS/TDM) line item is only $2 million from 2001 through 2015. By comparison, the TSM portion is $92 million and ITS portion is $26 million. The document hides TDM by lumping all of the costs together into a $120 million line item for TSM/TDM/ITS. Over 14 years, that would equate to about $142,000 per year - not enough to support Bay Area Vanpool, the three existing transportation management organizations (TMOs) in Hillsborough County and BACS in promoting vanpool, marketing to employers, recruiting riders, and maintaining ridership levels in existing vanpools.
4. **Market the program into rural/remote areas of Hillsborough and adjoining counties.** Long distance commuters benefit most from the program. Reaching the market at the home end (e.g., community centers, churches, etc.) could increase support for referenda on expanding transit services in the County (i.e., MIS study).
5. **Consider legislative actions to increase employer participation.** Additional research is warranted. Before pursuing the provision of tax breaks for employers, HART should assess the number of employers in Connecticut, California and Washington who have used the tax deduction and tax credit to determine whether employers have used the benefit and if it has any impact on increases in vanpooling.

Summary

Based on a review of vanpool programs across the country and analysis of the financial impact of the Bay Area Vanpool program on the transit systems, the Center for Urban Transportation Research (CUTR) found the current program has been successful. There are 18 vans currently in service carrying approximately 125 individuals per day. The original grant application had set a goal of 15 to 25 vans. More to the point, the program has reached this goal at a fraction of the original budgeted amount. In addition, the vanpool program is earning more additional federal and state formula funding than is being spent on the vanpool subsidies. Finally, based on discussions with Bay Area Commuter Services staff and the experiences of similar vanpool programs in Florida and the rest of the country, the vanpool program is expected to increase in size. In conclusion, the program should be continued, improvements made, and aggressively promoted.

APPENDIX A

Highlights of Vanpool Programs

HARTFORD

Overview: The non-profit corporation, The Rideshare Company, provides a variety of innovative vanpooling programs. It also offers employer and consulting services such as parking studies, assistance with relocation and employee commuting, and employee commute matchings.

Innovative Idea 1: Low-Interest Financing for Owner-Operators. The Rideshare Company's special Van Ownership Program allows commuters to own a brand new mini or full-sized van for almost nothing. Commuters shop for the full-sized or mini-van of the driver's choice, with all the options he or she wants. If driver qualifies, The Rideshare Company will finance full-sized vans at 2.5% for up to 60 months with a 10% down payment, and mini-vans at 5% for up to 60 months with 20% down. Driver pays no sales tax at the time of purchase, no property tax, and can purchase reduced-price insurance through The Rideshare Company. To be eligible for the program, driver only needs to commute with as few as 3, or up to 7 passengers who pay the driver a "van fare" for riding with him or her. The "van fares" may cover most, if not all, of the costs associated with owning the van.

Innovative Idea 2: State of Connecticut Employer Tax Credits. In Connecticut, large employers subject to trip reduction requirements were allowed a tax credit not to exceed $250 per employee participating in alternative means of commuting.

Innovative Idea 3: EasyStreet™. In Hartford, The Rideshare Company helped create a new non-profit corporation (2Plus, Inc.) and a new vanpool system, EasyStreet™, in response to corporate vanpool fleet downsizing. TRC acquired and consolidated corporate vanpool fleets and provides administrative, marketing, and customer service support. Corporations helped finance the transfer, saving hundreds of thousands on dollars in the start-up phase. The focus of the effort is to increase accessibility and reliability. According to Byron York, 2Plus president, their national private non-profit status was "able to justify our requests for below market-rate financing, factor in adequate maintenance and replacement costs, and more important, we were able to leverage our position to overcome a serious insurance obstacle." Conventional van insurance would have cost 2Plus approximately $1,300 per vehicle. By successfully arguing the common public service mission to the State Insurance Purchasing Board , 2Plus was able to obtain van insurance under the state policy and reduced to $400 to $500 per vehicle. They estimate they saved $160,000 annually over 200 vans. There were no subsidies involved. The State of Connecticut became an investor, rather than simply a grantor of funds. The State, as an investor, would get a return on its investment paid back over 3 to 5 years.

Innovative Idea 4: The Commuters' Register. Rather than a computerized ridematching list, vanpoolers and carpoolers add their name and commute information to the Commuters' Register multimedia publication (newspaper and on-line). The Register provides: Listings of car and vanpools, transit routes and schedules, park and ride lot locations, and articles and helpful travel tips. The Commuters' Register newspaper is distributed to thousands of commuters, employers, and other high volume locations.

Fares:

Daily Round-Trip Commute Mileage	Passenger Fares		
	Full-time	**Part-time**	**Daily**
Less than 30 miles	$70	$44	$4.50
30 to 34	$71	$44	$4.50
35 t0 39	$73	$45	$4.75
40 to 44	$74	$46	$4.75
45 to 49	$79	$49	$5.00
50 to 54	$81	$50	$5.00
55 to 59	$83	$52	$5.25
60 to 64	$88	$55	$5.50
65 to 69	$89	$55	$5.75

BOSTON

Overview: In most cases, one person from the group volunteers to do the driving in exchange for a free commute and personal use of the vehicle. Each group also has at least one back-up driver who assumes-responsibility for the van should the regular driver be ill or on vacation. The pick-up/drop-off points and the route are set and agreed to by the group. Monthly charges, including fixed, operating, and insurance costs, are based on daily round-trip commute mileage. Each vehicle provider carries an insurance policy. Because the group splits the expenses, the per-person charge decreases as the number of vanpool riders increases. Commuter Check vouchers can be used to pay for vanpool transportation. CARAVAN provides services to the vanpools, including marketing and ridematching assistance necessary to maintain ridership.

Innovation Idea 1: New Vanpool Sign On Subsidies. Cost savings, reduced stress, more free time, a quicker commute, and a healthier environment are all a part of vanpooling, and to make the deal even sweeter CARAVAN, the Boston area commuter assistance program, offers a "sign on subsidy" for qualified TMA member employees. Current drive alone commuters who sign up for one of the hundreds of CARAVAN vanpools serving the downtown area will receive a discounted monthly rate.

CARAVAN matches people with others from the area then they reduce the cost of the lease for a six month period. The vanpool receives $50 for months one and two, $35 for months three and four, and $25 for months five and six. This adds up to a total savings of $220.00 for the van. This program allows current vanpool members time to recruit additional riders without increasing the fare dramatically.

Innovation Idea 2: Free Registration and License Plates and Insurance Discounts. Massachusetts offers free registration and license plates to all qualified vanpools. In addition, vanpool passengers are eligible to a discount on their personal automobile insurance. Under this program, a vanpool passenger can claim a 10 percent discount (up to $75) on property damage and collision coverage at the beginning of a policy year.

Innovation Idea 3: Vanpool Boarding Zones. Vanpools traveling to Boston have the opportunity to use public Vanpool Boarding Zones conveniently located on major commuting routes throughout the city.

Innovation Idea 4: Vanpool Parking in Boston. Free or discounted parking reserved exclusively for vanpools is available throughout Boston, thanks to the efforts of CARAVAN, MassHighway, the MBTA, MassPike, and private property managers.

AUSTIN, TEXAS

Overview: There are three different sizes of vans available to new groups which are distributed on a first-come, first-serve basis. The minimum membership requirements are as follows: 15-passenger Grand Caravan: minimum of 11 members, 9-passenger mid-size van: minimum of 7 members, 7-passenger minivan: minimum of 6 members.

Fares: When enough members have been recruited for the vanpool, the group contacts Capital Metro for driver and back-up driver applications and to be placed on a waiting list for the size van requested.
The vanpool fare is $25 per month within the Capital Metro service area, which includes the city limits of Austin, Leander, Cedar Park, Jonestown, Lago Vista, Pflugerville, Manor, and San Leanna. Travis County Precinct 2 and Williamson County Precincts 1 and 2 are also part of the Capital Metro service area. Fares for vanpools outside of the service area are based on vehicle lease amounts (calculated from commute mileage) and gasoline use. Capital Metro has assisted in the start-up of five out-of-service area vanpools from San Antonio, San Marcos, New Braunfels, and Lockhart.

CHICAGO (PACE)

Overview: Vans can carry a minimum of 5 and a maximum of 15 individuals (including the driver). Some vans are available in conversion configurations (11 passengers - including the driver). Vans are equipped with luxury equipment including AM/FM stereo, heavy duty heating and cooling, cruise control, power windows and door locks, and tilt steering wheel. Each van has an established schedule for routine servicing and maintenance. While every effort is made to keep all vehicles running at peak efficiency, at times vans may require overnight servicing. Loaner vans are available to vanpool drivers by reservation on a first come, first served basis for times when the vanpool's assigned van is out of service. There is no smoking in Pace vans.

Pace provides sample rules and regulations for the daily operation of the vanpool. Pace assists the driver in providing alternative transportation when neither the regular nor loaner vans are available. Pace assists the driver in maintaining the vanpool's ridership at it's maximum level.

Pace provides an automobile liability policy (limits - $2,000,000) for authorized drivers(s) of the van. Coverage includes liability to third parties for bodily injury and property damage. Pace also provides physical damage (comprehensive & collision) coverage for the van, and uninsured/underinsured coverage (limits $100,000/300,000) for the authorized driver(s) and riders.

The primary driver of the van is required to pay a $250 security deposit. Passengers are required to pay a $75.00 fare deposit.Pace allows the authorized driver and back-up driver to use the van for personal transportation during non-working hours at a per mile rate, with up to 300 (non-accumulating) miles per month free to the driver. (Pace reserves the sole right to decide if the personal use is proper and not excessive as to mileage and to adjust the mileage charge from time to time as may be necessary.)

Innovative Idea 1: Fare Collection Done by Agency. Pace invoices vanpool passengers on a monthly basis payable by check, money order or certified check.

Innovative Idea 2: Transit/Vanpool Combo Pass. Passengers who intend on using a Pace fixed route bus to get to or from a vanpool pick-up location can be issued a monthly Pace Commuter Club Card, valid not only on the authorized vanpool but also on Pace fixed route services Monday through Sunday. Passengers may also opt to purchase a CTA/Pace Everyday Monthly Pass, which is valid on all CTA and Pace fixed route services, at a discounted rate. Some employers offer payroll deduction for fare payment after the vanpool is stable. Passengers are required to present their validated monthly Pace Vanpool Pass, Pace Commuter Club Card, or CTA/Pace Everyday Monthly Pass for inspection to the vanpool driver prior to each trip. Failure to have the Pace Vanpool Pass, Pace Commuter Club Card, or CTA/Pace Everyday Monthly Pass in the rider's possession each time he or she rides the vanpool may result in the assessment of a surcharge equal to the monthly vanpool fare payment. Repeat violations may result in his or her termination from the vanpool and suspension of the driver from the program.

Innovative Idea 3; Guaranteed Ride Home Program. Participants are eligible for reimbursement of up to $90.00/year for alternative transportation taken due to a personal emergency. This does not apply to overtime.

Innovative Idea 4: Risk Management Strategies. Pace requires all potential drivers to successfully complete a one day Pace safety and administrative procedures course, as well as pass a physical and a drug/alcohol test. Pace provides the driver with a Vanpool Operations Manual which outlines all policy and operational aspects of the vanpool program. Pace provides each passenger with a Vanpool Rider's Guide which outlines all policy and operational aspects of the program.

Innovative Idea 5: Back-Up Driver(s) Incentives. Two or more back-up drivers per vanpool receive a $4.00 fare credit each month for serving as back-up drivers. When there is only a single back-up driver for the vanpool, that back-up driver receives a monthly $8.00 fare credit for serving as a back-up driver. Pace does not reimburse vanpool riders for alternative transportation or carpool mileage costs incurred as a result of insufficient back-up drivers available to drive the van. An adequate number of back-up drivers is a necessity. Pace requires a minimum of one back-up driver per van but strongly recommends that each vanpool have at least two to three back-up drivers per van. Pace (at its discretion) may authorize and pay all training costs for up to four back-up drivers.

Innovative Idea 6: Convenience Incentives. Pace provides the driver with a cellular phone for emergency purposes. All monthly charges and personal calls made are the responsibility of the driver. However, Pace will reimburse the driver the monthly basic cellular phone service charge and all applicable taxes. Tollway cards and I-Pass transponder units are provided to vanpool drivers who utilize the tollway on their work trip commute. Pace covers all toll costs along the approved vanpool commute route when the tollway card is used at a toll booth.

Innovative Idea 7: Pre-approved Routes. Pace provides the vanpool driver with the approved vanpool route. The driver may deviate from the route due to road construction/repairs, heavy traffic or inclement weather.

Fare Structure. Fares vary by distance and vehicle occupancy. The more vanpool members and the shorter the trip, the lower the fare. The minimum vanpool fare is currently $45.00 per month. Fare levels include a significant percentage of Pace subsidy covering the cost of the vehicle and portions of day-to-day operating costs.

	Number of Paying Passengers										
Round Trip Miles	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**
1-20 Miles	$82	$75	$69	$64	$57	$50	$47	$47	$47	$47	$47
21-30 Miles	$86	$79	$73	$70	$61	$54	$49	$47	$47	$47	$47
31-40 Miles	$90	$83	$77	$75	$66	$58	$52	$48	$47	$47	$47
41-50 Miles	$95	$87	$81	$79	$69	$61	$55	$50	$47	$47	$47
51-60 Miles	$99	$92	$85	$83	$73	$64	$58	$53	$49	$47	$47
61-70 Miles	$103	$96	$89	$86	$76	$68	$60	$55	$51	$47	$47
71-80 Miles	$107	$100	$94	$90	$79	$70	$63	$57	$53	$49	$47
81-90 Miles	$110	$103	$97	$94	$82	$73	$66	$59	$54	$50	$47
91-100 Miles	$113	$106	$100	$97	$84	$75	$68	$61	$56	$52	$48
101-110 Miles	$116	$109	$103	$99	$86	$77	$70	$63	$58	$53	$50
111-120 Miles	$120	$112	$106	$101	$88	$79	$71	$64	$59	$54	$51
121-130 Miles	$123	$115	$109	$103	$90	$81	$72	$66	$60	$55	$52
131-140 Miles	$126	$119	$112	$106	$94	$84	$75	$69	$63	$58	$55

The 4 and 5 passenger vans are mini van fare amount. Maxi or Conversion van in this range requires a monthly surcharge per passenger of $15.00. Fares are based on 21 work/commute days per month (approximately 5 work/commute days per week). Fares will be adjusted to accommodate van operation which is consistently greater or fewer than 21work days per month.

SEATTLE - Riderlink

Overview: Commuters need an additional four people -- or as many as 14 -- to organize a vanpool. The more people, the lower vanpool fare. The vanpool decides on a route, pick-up points and schedule. To be a vanpool driver, commuters need to be at least 21 years old, with a current Washington State drivers license, have a good driving record for the past three years, meet Metro's request for a credit check, and complete the half-day Metro Vanpool Orientation Course. The van will also need a bookkeeper to collect fares. The course teaches safe, over-size vehicle handling, vehicle inspection procedures, bookkeeping functions, like fare collection and recording and group dynamics and tips for successful vanpooling. Primary drivers, who meet Metro requirements, ride free and may receive 40 free personal miles each month. Additional miles are available to drivers for a low mileage fee.

Innovative Idea 1: Matching Employer Van Subsidies. VanPool Plus is a partnership demonstration program that subsidizes vanpool fares to make vanpools more attractive to commuters. Participating employers receive matching funds from Metro in the form of Commuter Bonus checks and distribute them to their employees. Employees apply Commuter Bonus checks toward their vanpool fares. VanPool Plus is available to any King County employer affected by the state Commute Trip Reduction Law. VanPool Plus is a one-year demonstration project. To participate in the program, employers must increase the current vanpool subsidy or be willing to offer a new vanpool subsidy to employees. Metro will match the employer's subsidy level up to $15.00 per month. Because Metro matches the employer's subsidy level, VanPool Plus offers an additional fare savings to employees who commute by vanpool. VanPool Plus is most effective when a company supports vanpooling with incentives such as a guaranteed ride home program, or preferential or discounted parking for vanpool vans. Metro will subsidize monthly vanpool fares in $5, $10 or $15 increments. The employer or jurisdiction must provide an equivalent dollar amount toward VanPool Plus matching funds. Metro will consider only new financial incentives offered by an employer or jurisdiction. Employers who currently offer a full vanpool subsidies to all employees must provide additional matching funds towards other Commuter Trip Reduction program elements to participate in the VanPool Plus program. Metro will match the subsidy increase. The van used as the shuttle must belong to an existing vanpool group. If the van is used as a mid-day shuttle, an additional sum must be paid to cover shuttle operations.

Innovative Idea 2: State of Washington Employer Tax Credits. In Washington, employers subject to Commute Trip Reduction requirements were allowed a tax credit not to exceed $60 per employee per year. The credit is equal to 50 percent the amount paid to or on behalf of each employee but not to exceed $60 per year. The credit for two-person carpools is equal to 30 percent of the amount paid to or on behalf of each employee but not to exceed $60 per year.

Fares: Monthly depend on how many people are in the vanpool and how many miles they travel to and from work. The vanpool fare includes insurance for drivers, riders, and vans, 24-hour roadside assistance, gas credit cards at major gas stations that are billed directly to Metro and convenient service locations for van maintenance. In fact, King County Metro will call the driver when the van needs preventive maintenance and give the group a loaner van while it is in the shop. King County Metro will provide a free cab ride home should a member of the group have an emergency.

	Number of Paying Passengers		
Total Daily Round Trip	15 Riders	12 Riders	8 Riders
30 miles	$31	$37	$43
50 miles	$43	$51	$58
80 miles	$60	$70	$85

KITSAP TRANSIT

Overview: Kitsap Transit owns a large fleet of new vans that are used by groups of 7 or more for their daily commute. Kitsap Transit pays for the van's fuel, insurance, and maintenance. To be a vanpool driver, a commuter must have a clean driving record for the past three years. Once the driving record is verified, Kitsap Transit will take the potential driver on a ridecheck to observe his or her defensive driving skills. A van is issued when he or she successfully completes the driver's license check and the ride check. Within ninety days from the date a van was issued, the driver muse complete a Department of Transportation Defensive Driving course. This free 4-hour course is taught at Kitsap Transit. For the driver's convenience, this driving course can be scheduled for a weekend. Kitsap Transit pays the driver $10.00 a month to keep it clean and rides free.

Innovative Idea: Vanpool Tickets. The driver or a designated individual is also responsible for the van's bookkeeping. This includes reporting the weekly ridership, ticket sales, and mileage. The driver or a designated individual is responsible for selling tickets to passengers and turning in ticket funds to Kitsap Transit. Often, riders elect a member of their group as the Vanpool Coordinator and that individual becomes responsible for the bookkeeping tasks.

Fare Structure. Vanpool fares are based upon the number of miles the rider actually occupies a seat on the bus. For instance, if the commuter lives 10 or fewer miles from his or her destination, the commuter will be in the first zone. His or her fare in this case will be $8.00 for a 10-Ride Ticket or $28.00 for a 40-Ride Ticket. A "ride" is a one-way trip. Please see the table below for fares for other zones. There is a surcharge on tickets used for out-of-county riders. On a 10-Ride Ticket the surcharge is $3.00 and on a 40-Ride Ticket it is $12.00. Vanpool operators will accept the following methods of payment: (1) a vanpool ticket, (2) reduced fare passes for persons with disabilities, (3) reduced fare passes in Kitsap Transit's Group Pass Programs, and (4) cash fares for one-way rides.

Zone	Miles	10 Ride	40 Ride
Zone 1	0 to 10 miles	$8.00	$28.00
Zone 1	0 to 10 miles with Out-of-County	$11.00	$40.00
Zone 2	10+ to 15 miles	$9.00	$32.00
Zone 2	10+ to 15 miles with Out-of-County	$12.00	$44.00
Zone 3	15+ to 20 miles	$10.00	$36.00
Zone 3	15+ to 20 miles with Out-of-County	$13.00	$48.00
Zone 4	20+ to 25 miles	$11.00	$40.00
Zone 4	20+ to 25 miles with Out-of-County	$14.00	$52.00
Zone 5	25+ to 35 miles	$12.50	$46.00
Zone 5	25+ to 35 miles with Out-of-County	$15.50	$58.00
Zone 6	35+ miles	$14.00	$52.00
Zone 6	35+ miles with Out-of-County	$17.00	$64.00

PHOENIX

Overview: Valley Metro RPTA, through a contract with VPSI, the nation's largest vanpool provider, supplies 9 & 15 passenger bench seat vans and 8 & 14 passenger luxury vans. The van is insured with a $5,000,000 umbrella policy that covers collision, medical, and liability. There is a $250 at-fault deductible. The vanpool driver accepts responsibility for fueling and coordinating maintenance for the van. All maintenance costs are covered in the vanpool fares. The vans can be serviced at a variety of convenient locations around the Valley. Some maintenance can even be completed at the work site. Loaner vans are usually available so service won't be interrupted.

Vanpool agreements with the driver automatically renew every 30 days until written notification is given - 30 days in advance - stating that the members would like to terminate the agreement. Individual riders must also give 30 days notice to their group should they choose to leave the vanpool.

Drivers must have the following qualifications: (1) minimum age of 21 years, (2) no more that 4 driving record points in the last 3 years, (3) no DWI, at-fault accidents, or hit and run citations, (4) a valid driver's license and (5) good credit rating. The driver maintains the van, fuels the van, keeps it clean, collects fares from the riders, and pays the monthly bill. The vanpool driver must also be punctual and drive safely. The vanpool program is set-up for the driver to receive a free commute plus up to 300 personal-use miles monthly, paying only for gasoline, (a $.21 fee is assessed for each personal-use mile over 300). Each vanpool rider is allotted two guaranteed rides home per year. Valley Metro reimburses riders for 100% of the tab.

Fare Structure:

8 & 9 Passenger Vans	Number of Paying Passengers		
Daily Round Trip Mileage	9	8	7
35	$56	$63	$72
45	$62	$70	$80
55	$64	$73	$83
65	$73	$82	$93
75	$75	$84	$96
95	$86	$96	$110
125	$100	$112	$128

14 Passenger Luxury	Number of Paying Passengers		
Daily Round Trip Mileage	13	12	11
35	$66	$71	$78
45	$71	$77	$84
55	$73	$79	$86
65	$81	$87	$95
75	$83	$90	$98
95	$93	$100	$110
125	$109	$118	$129

15 Passenger Split Bench	Number of Paying Passengers			
Daily Round Trip Mileage	**14**	**13**	**12**	**11**
35	$54	$58	$63	$69
45	$59	$63	$69	$75
55	$61	$65	$71	$77
65	$67	$72	$78	$85
75	$69	$74	$80	$88
95	$79	$85	$92	$101
125	$94	$102	$110	$120

Fares based on $1.32 gallons at 14 mpg for 8 & 9 passenger vans, 10 mpg for 14 & 15 passenger vans.
Fares may vary based on actual mileage.

STATEWIDE OR REGIONAL INCENTIVE PROGRAMS

Innovative Idea 1: Vanpool Sponsorship Program. NJ TRANSIT offers a statewide Vanpool Sponsorship program, which provides a financial incentive for vanpooling in areas where public transportation is neither available nor feasible.

Each vanpool group may be eligible for $150 per month of sponsorship support. Those vanpool groups that take advantage of one of New Jersey's High Occupancy Vehicle (HOV) lanes can qualify for up to $300 of monthly sponsorship support.

Newly forming or existing vanpool groups whom obtain their vehicles from a participating vanpool provider can apply for NJ TRANSIT sponsorship through a Transportation Management Association (TMA). There is an application process, along with other minimal reporting requirements to ensure that the vanpool group meets eligibility standards.

Innovative Idea 2: Interest Free Vanpool Loan Program. The Interest Free Vanpool Loan program helps groups and/or businesses purchase a seven to fifteen passenger van for work related commuting. The group or business is responsible for, ten percent (10%) of the total cost of the vehicle, prior to receipt of their van. The balance will be paid off in equal payments over a forty-eight (48) month period with no interest. At least one member of the vanpool must be a licensed, Vermont resident. The vanpool must be registered in Vermont. The Interest Free Vanpool Loan Program is part of the statewide Vermont Rideshare Program which is administered by the Vermont Public Transportation Association.

Innovative Idea 3: Virginia Vanpool Assistance Program's VanStart and VanSave Programs. The Virginia Vanpool Assistance Program, sponsored by the Virginia Department of Rail and Public Transportation, provides temporary funding for vanpools having trouble filling all of their seats. There are two different programs: the VanStart Program, which funds empty seats during the critical start up phase of new vanpools; and the VanSave Program, which is for existing vanpools that are experiencing problems in their passenger levels due to the loss of riders. Anyone operating a vanpools that serves residents of the State of Virginia can apply for assistance. The vanpool must be a non-profit organization and have a seating capacity of no less than six and no more than fourteen (excluding the driver.) The vanpool operator must certify that the van has PV plates and is appropriately insured under a Commercial Auto Policy or Vanpool Policy and registered with the local jurisdiction's rideshare agency. Since the VanStart Program is for new vanpools and the VanSave Program is for existing vanpools, there are some differences in the eligibility requirements: *VanStart:* The owner/operator must register the vanpool and apply for assistance within the first three months of operation with the local jurisdiction's rideshare agency. At least 50% of the passenger capacity must be full. *VanSave:* The vanpool must have been in operation for a minimum of six months and may not have received any state assistance funds in the past 12 months. At least 25% of the paying passenger capacity must have been empty for more than 30 days at time of application. The amount of funding is based on the average cost per seat of the vanpool and the average cost per seat of similar vanpools traveling the same distance.

Innovative Idea 4: State of California Tax Incentives. In California, a "deduction shall be allowed to an employer as an ordinary and necessary expense paid or incurred during the income year in carrying on any trade or business for those expenses involved in various ridesharing programs or services. Eligible activities include subsidizing employees commuting in vanpools, providing company commuter van to its employees and to others. Capital costs of providing the service are not eligible deduction under that section of the State code. A company commuter van is defined as a vehicle that has at least 7 or more persons commuting on a daily basis to and from work, at least 50 percent of the mileage can be reasonably expected to be used for commuting, and was acquired after the enactment of that section of the code.

Innovative Idea 5: Continuous Vanpool Capital Cost Payment. In Houston, METRO and H-GAC encourage vanpooling by paying for part of the capital costs of each METROVan passenger's monthly fare. They pay a flat $35 per qualified participant. This monthly payment takes the form of a $35 voucher called a "METROVan Chek." Vouchers are given to the organization's transportation liaison, who provides them to vanpool riders. From 1996 to 1997, 40 to 50 new vanpools had been organized, for a total of about 200, according to Veronica Baxter-Lamb, coordinator for the program at HGAC.

Innovative Idea 6: Eastern Contra Costa County Incentive Program. In the San Francisco Bay Area, new vanpool members who are residents of Eastern Contra Costa County or San Ramon can qualify for incentives if their commute destination is outside Contra Costa County. New vanpool members are entitled to a 50 percent discount of their vanpool fare for the first three months. Those who begin and maintain vanpools are entitled to $1,000 at the conclusion of the vanpool's first year of operation.

APPENDIX B

Financial Impact of Vanpool Programs on Transit Systems On Cash Flow and Accrual Bases

Cash Flow Projections for Bay Area Vanpool Program

Number of Vans	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03
HART		15	20	24	33	33	33	33
PSTA*		2	5	9	15	15	15	15
PATS		0	0	2	2	2	2	2
Subtotal		17	25	35	50	50	50	50

* PSTA didn't report miles in FY96 or FY97

Cash Flow w/CMAQ	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03
Revenues								
HART - Federal	$ -	$ -	$ -	$ 27,832	$ 50,810	$ 110,255	$ 166,378	$ 238,022
HART - State	$ -	$ -	$ 5,024	$ 999	$ 2,414	$ 3,080	$ 4,480	$ 4,480
PSTA - Federal	$ -	$ -	$ -	$ 30,306	$ 55,327	$ 120,055	$ 181,168	$ 259,180
PSTA - State	$ -	$ -	$ 5,470	$ 1,087	$ 2,628	$ 3,354	$ 4,878	$ 4,878
PATS - Federal	$ -	$ -	$ -	$ 3,711	$ 6,775	$ 14,701	$ 22,184	$ 31,736
PATS - State	$ -	$ -	$ 670	$ 133	$ 322	$ 411	$ 597	$ 597
CMAQ - HART	$ 151,979	$ 146,479	$ 199,440	$ 218,592	$ 261,684	$ 171,826	$ -	$ -
CMAQ - PSTA	$ -	$ 12,441	$ 49,860	$ 69,012	$ 97,740	$ 20,947	$ -	$ -
PATS (VP)	$ -	$ -	$ 40,000	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 151,979	$ 158,920	$ 300,464	$ 351,672	$ 477,700	$ 444,628	$ 379,685	$ 538,894
Expenses								
HART	$ (151,979)	$ (146,479)	$ (199,440)	$ (218,592)	$ (261,684)	$ (261,684)	$ (261,684)	$ (261,684)
PSTA	$ -	$ (12,441)	$ (49,860)	$ (69,012)	$ (97,740)	$ (97,740)	$ (97,740)	$ (97,740)
PATS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ (151,979)	$ (158,920)	$ (249,300)	$ (287,604)	$ (359,424)	$ (359,424)	$ (359,424)	$ (359,424)
Net Revenues (Expenses)	$ -	$ -	$ 51,164	$ 64,068	$ 118,276	$ 85,204	$ 20,261	$ 179,470
Cumulative Net Revenues (Expe	$ -	$ -	$ 51,164	$ 115,232	$ 233,507	$ 318,711	$ 338,973	$ 518,443

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

			FY96 w/o VP	FY96 w/ VP	FY97 (actual) w/o VP	FY97 (actual) 17	FY98 (est.) w/o VP 25	FT98 (est.) 25 VPS 25	FY99 w/o VP 35	FY99 w/ 35 VPs 35
Bus Tier										
Bus Revenue Vehicle Miles										
HARTLine										
	DO	MB	4,941,680	4,941,680	**5,294,645**	**5,294,645**	5,294,645	5,294,645	5,294,645	5,294,645
	PT	MB	856,200	856,200	**25,318**	**25,318**	25,318	25,318	25,318	25,318
	PT	VP	-	**114,554**	**-**	**207,648**	-	454,725	-	502,560
	PT	DR	3,748,532	3,748,532	**1,827,504**	**1,827,504**	1,827,504	1,827,504	1,827,504	1,827,504
			9,546,412	9,660,966	7,147,467	7,355,115	7,147,467	7,602,192	7,147,467	7,650,027
PSTA										
	DO	MB	6,213,190	6,213,190	**6,358,229**	**6,358,229**	6,205,969	6,205,969	6,205,969	6,205,969
	PT	DR	1,125,090	1,125,090	**1,085,460**	**1,085,460**	1,339,933	1,339,933	1,339,933	1,339,933
	PT	VP	-	-	-	-	-	28,912	-	188,460
			7,338,280	7,338,280	7,443,689	7,443,689	7,545,902	7,574,814	7,545,902	7,734,362
PATS										
	DO	DR	538,270	538,270	538,270	538,270	538,270	538,270	538,270	538,270
	PT	DR	133,730	133,730	133,730	133,730	133,730	133,730	133,730	133,730
	PT	VP	-	-	-	-	-	-	-	41,880
			672,000	672,000	672,000	672,000	672,000	672,000	672,000	713,880
Combined Totals			17,556,692	17,671,246	15,263,156	15,470,804	15,365,369	15,849,006	15,365,369	16,098,269
Federal			$ 0.38184824	$ 0.38184824	$ 0.38184824	$ 0.38184824	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062
Formula Funding			**$ 6,703,992**	**$ 6,747,734**	**$ 5,828,209**	**$ 5,907,499**	**$ 5,296,760**	**$ 5,463,479**	**$ 5,296,760**	**$ 5,549,405**
State			$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457
Formula Funding			**2,043,855**	**2,057,190**	**1,776,854**	**1,801,027**	**1,788,753**	**1,845,055**	**1,788,753**	**1,874,073**
Combined Formula Funding			**$ 8,747,847**	**$ 8,804,925**	**$ 7,605,063**	**$ 7,708,526**	**$ 7,085,512**	**$ 7,308,534**	**$ 7,085,512**	**$ 7,423,478**
Gain over Baseline			**$ -**	**$ 57,078**	**$ -**	**$ 103,463**	**$ -**	**$ 223,022**	**$ -**	**$ 337,966**

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

			FY96 w/o VP	FY96 w/ VP	FY97 (actual) w/o VP	FY97 (actual)	FY98 (est.) w/o VP	FT98 (est.) 25 VPS	FY99 w/o VP	FY99 w/ 35 VPs
						17	25	25	35	35
Bus Incentive Tier										
Passenger-Miles										
HARTLine										
	DO	MB	35,051,080	35,051,080	**36,465,086**	**36,465,086**	35,051,080	35,051,080	35,051,080	35,051,080
	PT	MB	3,818,573	3,818,573	**40,504**	**40,504**	3,818,573	3,818,573	3,818,573	3,818,573
	PT	VP	-	**634,238**	-	**883,008**	-	1,907,308	-	2,022,624
	PT	DR	4,012,946	4,012,946	**3,126,060**	**3,126,060**	4,012,946	4,012,946	4,012,946	4,012,946
			42,882,599	43,516,837	39,631,650	40,514,658	42,882,599	44,789,907	42,882,599	44,905,223
PSTA - FY96										
	DO	MB	36,660,850	36,660,850	**35,658,818**	**35,658,818**	35,658,818	35,658,818	35,658,818	35,658,818
	PT	DR	1,960,920	1,960,920	**1,226,056**	**1,226,056**	1,226,056	1,226,056	1,226,056	1,226,056
	PT	VP	-	-	-	173,557	-	173,557	-	758,484
			38,621,770	38,621,770	36,884,874	37,058,431	36,884,874	37,058,431	36,884,874	37,643,358
PATS (FY96)										
	DO	DR	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890
	PT	DR	161,380	161,380	161,380	161,380	161,380	161,380	161,380	161,380
	PT	VP	-	-	-	-	-	-	-	168,552
			1,164,270	1,164,270	1,164,270	1,164,270	1,164,270	1,164,270	1,164,270	1,332,822
Combined Totals			82,668,639	83,302,877	77,680,794	78,737,359	80,931,743	83,012,608	80,931,743	83,881,403

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

			FY96 w/o VP	FY96 w/ VP	FY97 (actual) w/o VP	FY97 (actual) 17	FY98 (est.) w/o VP 25	FT98 (est.) 25 VPS 25	FY99 w/o VP 35	FY99 w/ 35 VPs 35
Operating Expenses										
HARTLine										
	DO	MB	$ 22,205,330	$ 22,205,330	**$ 22,291,283**	**$ 22,291,283**	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330
	PT	MB	2,139,061	2,139,061	**134,946**	**134,946**	2,139,061	2,139,061	2,139,061	2,139,061
	PT	VP		**151,979**	**-**	**146,479**	-	199,440	-	218,592
	PT	DR	6,337,172	6,337,172	**4,788,973**	**4,788,973**	6,337,172	6,337,172	6,337,172	6,337,172
			$ 30,681,563	$ 30,833,542	$ 27,215,202	$ 27,361,681	$ 30,681,563	$ 30,881,003	$ 30,681,563	$ 30,900,155
PSTA										
	DO	MB	$ 24,206,990	$ 24,206,990	**$ 24,127,335**	**$ 24,127,335**	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335
	PT	DR	1,960,920	1,960,920	**1,866,207**	**1,866,207**	1,866,207	1,866,207	1,866,207	1,866,207
	PT	VP	-	-	-	12,441	-	49,860	-	69,012
			$ 26,167,910	$ 26,167,910	$ 25,993,542	$ 26,005,983	$ 25,993,542	$ 26,043,402	$ 25,993,542	$ 26,062,554
PATS - FY96										
	DO	DR	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110
	PT	DR	242,180	242,180	242,180	242,180	242,180	242,180	242,180	242,180
	PT	VP	-	-	-	-	-	-	-	9,576
			1,897,290	1,897,290	1,897,290	1,897,290	1,897,290	1,897,290	1,897,290	1,906,866
Combined Totals			$ 58,746,763	$ 58,898,742	$ 55,106,034	$ 55,264,954	$ 58,572,395	$ 58,821,695	$ 58,572,395	$ 58,869,575
Bus Incentive Tier										
Federal			82,668,639	83,302,877	77,680,794	78,737,359	80,931,743	83,012,608	80,931,743	83,881,403
Formula Funding		X	82,668,639	83,302,877	77,680,794	78,737,359	80,931,743	83,012,608	80,931,743	83,881,403
Bus Incentive Tier			6.83E+15	6.94E+15	6.03E+15	6.20E+15	6.55E+15	6.89E+15	6.55E+15	7.04E+15
		/	58,746,763	58,898,742	55,106,034	55,264,954	58,572,395	58,821,695	58,572,395	58,869,575
			116,331,582	117,818,634	109,503,539	112,179,080	111,826,519	117,152,236	111,826,519	119,519,969
		X	$ 0.00320813	$ 0.00320813	$ 0.00353153	$ 0.00353153	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867
			$ 373,207	**$ 377,977**	**$ 386,715**	**$ 396,164**	**$ 461,695**	**$ 483,683**	**$ 461,695**	**$ 493,459**
Gain over Baseline			**$ -**	**$ 4,771**	**$ -**	**$ 9,449**	**$ -**	**$ 21,988**	**$ -**	**$ 31,764**

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

		FY96 w/o VP	FY96 w/ VP	FY97 (actual) w/o VP	FY97 (actual) 17	FY98 (est.) w/o VP 25	FT98 (est.) 25 VPS 25	FY99 w/o VP 35	FY99 w/ 35 VPs 35
Passengers-Trips									
HARTLine									
DO	MB	7,603,839	7,603,839	**7,915,236**	**7,915,236**	7,603,839	7,603,839	7,603,839	7,603,839
PT	MB	828,297	828,297	**8,839**	**8,839**	828,297	828,297	828,297	828,297
PT	VP	-	23,114	**-**	**26,964**	-	56,559	-	60,480
PT	DR	419,354	419,354	**305,424**	**305,424**	419,354	419,354	419,354	419,354
		8,851,490	8,874,604	8,229,499	8,256,463	8,851,490	8,908,049	8,851,490	8,911,970
PSTA									
DO	MB	7,881,320	7,881,320	**8,004,295**	**8,004,295**	8,004,295	8,004,295	8,004,295	8,004,295
PT	DR	175,410	175,410	**186,215**	**186,215**	186,215	186,215	186,215	186,215
PT	VP	-	-	-	-	-	8,611	-	22,680
		8,056,730	8,056,730	8,190,510	8,190,510	8,190,510	8,199,121	8,190,510	8,213,190
PATS - FY96									
DO	DR	126,050	126,050	126,050	126,050	126,050	126,050	126,050	126,050
PT	DR	13,530	13,530	13,530	13,530	13,530	13,530	13,530	13,530
PT	VP	-	-	-	-	-	-	-	5,040
		139,580	139,580	139,580	139,580	139,580	139,580	139,580	144,620
Combined Totals		16,921,750	17,057,384	16,546,059	16,573,023	17,168,050	17,233,220	17,168,050	17,251,210
State TDBG		$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823
Formula Funding		**$ 1,392,769**	**$ 1,403,932**	**$ 1,361,847**	**$ 1,364,066**	**$ 1,413,041**	**$ 1,418,405**	**$ 1,413,041**	**$ 1,419,885**
Gain over Baseline		**$ -**	**$ 11,164**	**$ -**	**$ 2,219**	**$ -**	**$ 5,364**	**$ -**	**$ 6,845**
Regional Financial Impact									
100%	FTA & FDOT Bus	$ 8,747,847	$ 8,804,925	$ 7,605,063	$ 7,708,526	$ 7,085,512	$ 7,308,534	$ 7,085,512	$ 7,423,478
100%	FTA Incentive Tier	$ 373,207	$ 377,977	$ 386,715	$ 396,164	$ 461,695	$ 483,683	$ 461,695	$ 493,459
100%	FDOT TDBG	$ 1,392,769	$ 1,403,932	$ 1,361,847	$ 1,364,066	$ 1,413,041	$ 1,418,405	$ 1,413,041	$ 1,419,885
		$ 10,513,822	$ 10,586,835	$ 9,353,625	$ 9,468,756	$ 8,960,248	$ 9,210,622	$ 8,960,248	$ 9,336,822
			$ 73,012		$ 115,131		$ 250,374		$ 376,574

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

	FY00 w/o VP 50	FY00 w/50 VPs 50	FY01 w/o VP 50	FY01 w/ 50 VPs 50	FY02 w/o VPs 50	FY02 w/50 VPs 50	FY03 w/o VPs 50	FY03 w/50 VPs 50
Bus Tier								
Bus Revenue Vehicle Miles								
HARTLine								
DO	5,294,645	5,294,645	5,294,645	5,294,645	5,294,645	5,294,645	5,294,645	5,294,645
PT	25,318	25,318	25,318	25,318	25,318	25,318	25,318	25,318
PT	-	691,020	-	691,020	-	691,020	-	691,020
PT	1,827,504	1,827,504	1,827,504	1,827,504	1,827,504	1,827,504	1,827,504	1,827,504
	7,147,467	7,838,487	7,147,467	7,838,487	7,147,467	7,838,487	7,147,467	7,838,487
PSTA								
DO	6,205,969	6,205,969	6,205,969	6,205,969	6,205,969	6,205,969	6,205,969	6,205,969
PT	1,339,933	1,339,933	1,339,933	1,339,933	1,339,933	1,339,933	1,339,933	1,339,933
PT	-	314,100	-	314,100	-	314,100	-	314,100
	7,545,902	7,860,002	7,545,902	7,860,002	7,545,902	7,860,002	7,545,902	7,860,002
PATS								
DO	538,270	538,270	538,270	538,270	538,270	538,270	538,270	538,270
PT	133,730	133,730	133,730	133,730	133,730	133,730	133,730	133,730
PT	-	41,880	-	41,880	-	41,880	-	41,880
	672,000	713,880	672,000	713,880	672,000	713,880	672,000	713,880
Combined Totals	15,365,369	16,412,369	15,365,369	16,412,369	15,365,369	16,412,369	15,365,369	16,412,369
	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062	$ 0.34472062
Formula F	**$ 5,296,760**	**$ 5,657,682**	**$ 5,296,760**	**$ 5,657,682**	**$ 5,296,760**	**$ 5,657,682**	**$ 5,296,760**	**$ 5,657,682**
	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457	$ 0.11641457
Formula F	**1,788,753**	**1,910,639**	**1,788,753**	**1,910,639**	**1,788,753**	**1,910,639**	**1,788,753**	**1,910,639**
Co Formula F	**$ 7,085,512**	**$ 7,568,321**	**$ 7,085,512**	**$ 7,568,321**	**$ 7,085,512**	**$ 7,568,321**	**$ 7,085,512**	**$ 7,568,321**
Gain over B	**$ -**	**$ 482,809**	**$ -**	**$ 482,809**	**$ -**	**$ 482,809**	**$ -**	**$ 482,809**

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

	FY00 w/o VP	FY00 w/50 VPs	FY01 w/o VP	FY01 w/ 50 VPs	FY02 w/o VPs	FY02 w/50 VPs	FY03 w/o VPs	FY03 w/50 VPs
	50	50	50	50	50	50	50	50
Bus Incentive Tier								
Passenger-Miles								
HARTLine								
DO	35,051,080	35,051,080	35,051,080	35,051,080	35,051,080	35,051,080	35,051,080	35,051,080
PT	3,818,573	3,818,573	3,818,573	3,818,573	3,818,573	3,818,573	3,818,573	3,818,573
PT	-	2,781,108	-	2,781,108	-	2,781,108	-	2,781,108
PT	4,012,946	4,012,946	4,012,946	4,012,946	4,012,946	4,012,946	4,012,946	4,012,946
	42,882,599	45,663,707	42,882,599	45,663,707	42,882,599	45,663,707	42,882,599	45,663,707
PSTA - FY96								
DO	35,658,818	35,658,818	35,658,818	35,658,818	35,658,818	35,658,818	35,658,818	35,658,818
PT	1,226,056	1,226,056	1,226,056	1,226,056	1,226,056	1,226,056	1,226,056	1,226,056
PT	-	1,264,140	-	1,264,140	-	1,264,140	-	1,264,140
	36,884,874	38,149,014	36,884,874	38,149,014	36,884,874	38,149,014	36,884,874	38,149,014
PATS (FY96)								
DO	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890	1,002,890
PT	161,380	161,380	161,380	161,380	161,380	161,380	161,380	161,380
PT	-	168,552	-	168,552	-	168,552	-	168,552
	1,164,270	1,332,822	1,164,270	1,332,822	1,164,270	1,332,822	1,164,270	1,332,822
Combined Totals	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

	FY00 w/o VP	FY00 w/50 VPs	FY01 w/o VP	FY01 w/ 50 VPs	FY02 w/o VPs	FY02 w/50 VPs	FY03 w/o VPs	FY03 w/50 VPs
	50	50	50	50	50	50	50	50
Operating Expenses								
HARTLine								
DO	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330	$ 22,205,330
PT	2,139,061	2,139,061	2,139,061	2,139,061	2,139,061	2,139,061	2,139,061	2,139,061
PT	-	261,684	-	261,684	-	261,684	-	261,684
PT	6,337,172	6,337,172	6,337,172	6,337,172	6,337,172	6,337,172	6,337,172	6,337,172
	$ 30,681,563	$ 30,943,247	$ 30,681,563	$ 30,943,247	$ 30,681,563	$ 30,943,247	$ 30,681,563	$ 30,943,247
PSTA								
DO	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335	$ 24,127,335
PT	1,866,207	1,866,207	1,866,207	1,866,207	1,866,207	1,866,207	1,866,207	1,866,207
PT	-	97,740	-	97,740	-	97,740	-	97,740
	$ 25,993,542	$ 26,091,282	$ 25,993,542	$ 26,091,282	$ 25,993,542	$ 26,091,282	$ 25,993,542	$ 26,091,282
PATS - FY96								
DO	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110	1,655,110
PT	242,180	242,180	242,180	242,180	242,180	242,180	242,180	242,180
PT	-	9,576	-	9,576	-	9,576	-	9,576
	1,897,290	1,906,866	1,897,290	1,906,866	1,897,290	1,906,866	1,897,290	1,906,866
Combined Totals	$ 58,572,395	$ 58,941,395	$ 58,572,395	$ 58,941,395	$ 58,572,395	$ 58,941,395	$ 58,572,395	$ 58,941,395
Bus Incentive Tier								
Federal	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543
Formula Funding	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543	80,931,743	85,145,543
Bus Incentive Tier	6.55E+15	7.25E+15	6.55E+15	7.25E+15	6.55E+15	7.25E+15	6.55E+15	7.25E+15
	58,572,395	58,941,395	58,572,395	58,941,395	58,572,395	58,941,395	58,572,395	58,941,395
	111,826,519	122,999,523	111,826,519	122,999,523	111,826,519	122,999,523	111,826,519	122,999,523
	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867	$ 0.00412867
	$ 461,695	**$ 507,824**	**$ 461,695**	**$ 507,824**	**$ 461,695**	**$ 507,824**	**$ 461,695**	**$ 507,824**
Gain over B	**$ -**	**$ 46,130**	**$ -**	**$ 46,130**	**$ -**	**$ 46,130**	**$ -**	**$ 46,130**

Estimated Financial Impact of Bay Area Vanpool Program (Accrual Basis)

	FY00 w/o VP	FY00 w/50 VPs	FY01 w/o VP	FY01 w/ 50 VPs	FY02 w/o VPs	FY02 w/50 VPs	FY03 w/o VPs	FY03 w/50 VPs
	50	50	50	50	50	50	50	50
Passengers-Trips								
HARTLine								
DO	7,603,839	7,603,839	7,603,839	7,603,839	7,603,839	7,603,839	7,603,839	7,603,839
PT	828,297	828,297	828,297	828,297	828,297	828,297	828,297	828,297
PT	-	83,160	-	83,160	-	83,160	-	83,160
PT	419,354	419,354	419,354	419,354	419,354	419,354	419,354	419,354
	8,851,490	8,934,650	8,851,490	8,934,650	8,851,490	8,934,650	8,851,490	8,934,650
PSTA								
DO	8,004,295	8,004,295	8,004,295	8,004,295	8,004,295	8,004,295	8,004,295	8,004,295
PT	186,215	186,215	186,215	186,215	186,215	186,215	186,215	186,215
PT	-	37,800	-	37,800	-	37,800	-	37,800
	8,190,510	8,228,310	8,190,510	8,228,310	8,190,510	8,228,310	8,190,510	8,228,310
PATS - FY96								
DO	126,050	126,050	126,050	126,050	126,050	126,050	126,050	126,050
PT	13,530	13,530	13,530	13,530	13,530	13,530	13,530	13,530
PT	-	5,040	-	5,040	-	5,040	-	5,040
	139,580	144,620	139,580	144,620	139,580	144,620	139,580	144,620
Combined Totals	17,168,050	17,289,010	17,168,050	17,289,010	17,168,050	17,289,010	17,168,050	17,289,010
Stat	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823	$ 0.0823
Formula F	**$ 1,413,041**	**$ 1,422,997**	**$ 1,413,041**	**$ 1,422,997**	**$ 1,413,041**	**$ 1,422,997**	**$ 1,413,041**	**$ 1,422,997**
Gain over B	**$ -**	**$ 9,956**	**$ -**	**$ 9,956**	**$ -**	**$ 9,956**	**$ -**	**$ 9,956**
Regional Financial Impact								
100% FTA & FDO	$ 7,085,512	$ 7,568,321	$ 7,085,512	$ 7,568,321	$ 7,085,512	$ 7,568,321	$ 7,085,512	$ 7,568,321
100% FTA Incenti	$ 461,695	$ 507,824	$ 461,695	$ 507,824	$ 461,695	$ 507,824	$ 461,695	$ 507,824
100% FDOT TDB	$ 1,413,041	$ 1,422,997	$ 1,413,041	$ 1,422,997	$ 1,413,041	$ 1,422,997	$ 1,413,041	$ 1,422,997
	$ 8,960,248	$ 9,499,142	$ 8,960,248	$ 9,499,142	$ 8,960,248	$ 9,499,142	$ 8,960,248	$ 9,499,142
		$ 538,894		$ 538,894		$ 538,894		$ 538,894