

PUBLIC TRANSIT

ARIZONA LOTTERY FUNDS (ALF)



November 7th, 2019

ALF in 2018



TOURISM

Office Purpose & Description

Tourism and the hospitality industry are critical elements and contribute greatly to the Town's character. This industry generates about 40% of the Town's operating budget revenue. As a result, the Town dedicates significant resources to tourism promotion.

In FY2018 two expenditures were budgeted for tourism:

- 1.) The Town's contractual contribution to the Scottsdale Convention and Visitors Bureau (CVB) for FY 2016-17 was \$1,275,037. In FY 2017-18, the amount is \$1,311,900, calculated as 40.9% of the bed taxes collected from FY 2015-16, two years prior.
- 2.) The Town supports a trolley from several Town resorts to and from the Scottsdale Fashion Square mall during the holiday season.




	2016 Actuals	2017 Adopted Budget	2017 Amended Budget	2018 Adopted Budget
Expenditures				
Tourism Expenditures				
Professional and Technical Services	\$ 1,159,726	\$ 1,275,037	\$ 1,275,037	\$ 1,311,900
Event Funding	45,700	50,000	-	-
Seasonal Trolley Service	-	26,000	26,000	27,000
Total Expenditures	1,205,426	1,351,037	1,301,037	1,338,900
Less Expenses Charged to Other Funds	-	-	-	-
Net Total General Fund Expenditures	\$ 1,205,426	\$ 1,351,037	\$ 1,301,037	\$ 1,338,900

	FY2017 Adopted Budget	FY2018 Adopted Budget	Percent Change
	\$ 1,351,037	\$ 1,338,900	-0.9%

23



GRANT FUND

Office Purpose & Description

The Grants Fund was established to account for grants from other governmental and non-profit agencies for specific purposes identified by the granting agencies.

The FY 2017-18 grant fund expenditures are estimated to be about \$88,000. This amount is basically a placeholder in the event the Town receives any new grant funding in FY 2017-18. The Town does anticipate a grant from ALF and GOHS.

	2016 Actuals	2017 Adopted Budget	2017 Amended Budget	2018 Adopted Budget
Revenues (Sources)				
ALF	\$ 40,759	\$ 40,000	\$ 40,000	\$ 40,000
ADOT		197,000	197,000	-
Police Grants		38,000	38,000	48,000
Transfer in from GF	5,383	-	-	-
Total Sources	\$ 46,152	\$ 275,000	\$ 275,000	\$ 88,000
Expenditures	\$ 46,152	\$ 275,000	\$ 275,000	\$ 88,000
Beginning Fund Balance	-	-	-	-
Change in Fund Balance	-	-	-	-
Ending Fund Balance	-	-	-	-

89



ALF in 2019

Town Council Meeting Notice and Agenda January 24, 2019

[19-019](#) Minutes of Town Council Meeting January 10, 2019

Attachments: [January 10 2019 Minutes](#)

[19-030](#) Minutes of Town Council Meeting January 16, 2019

Attachments: [January 16 2019 Minutes](#)

[19-001](#) Consideration of the Acceptance of a Governor's Office of Highway Safety Grant for a motorcycle

Recommendation: Authorize the Town Manager to sign a Governor's Office of Highway Safety grant for \$27,000 toward the purchase of a Zero Police Motorcycle.

Staff Contact: Peter Wingert 480-948-7418

Attachments: [2019-PTS-070 Contract.pdf](#)

[19-027](#)

Approval of Agreement for Trolley Service for Peak Season Use Utilizing State-Dedicated Transit Funds

Transportation to provide Town trolley services from February through April 2019, in the amount not to exceed \$25,000.

Staff Contact: Douglas Allen, CFO, 480-948-7411

Attachments: [2019 Town Trolley Proposal](#)

[2019 Town Trolley Route](#)

[2019 Town Trolley Ridership](#)

11. PUBLIC HEARINGS

The Town Council may hear public comments and take action on any of these items. Citizens may address the Council regarding any or all of these items. Those making comments are limited to three (3) minutes. Speakers may not yield their time to others. Please fill out a Speaker Request form prior to the start of the meeting and indicate which item you would like to address.

12. ACTION ITEMS

The Town Council May Take Action on This Item. Citizens may address the Council regarding any or all of these items. Those making comments are limited to three (3) minutes. Speakers may not yield their time to others. Please fill out a Speaker Request form prior to the start of the meeting and indicate which item you would like to address.

Council Goals or Statutory Requirements:

Arizona Lottery Funds (ALF) are state shared revenues that are designated and restricted for public transportation uses only.

SUMMARY STATEMENT:

During the 2018/19 budget process, "Ollie the Trolley: Resort Trolley" was discontinued. This Trolley had stopped at Town hall, four resorts, two trailheads and Scottsdale Fashion Square. Total ridership in 2017 was 2,715.

The Town receives state shared revenues including "Arizona Lottery Funds" ("ALF") that are restricted for public transportation uses only. The ALF funding is "use it or lose it" so if the Town has no allowable use for the funds, the Town must return them to the state.

Town Management and Directors have explored options and believe a modified trolley route would help address parking issues near the trailheads and would be the best use of the ALF funding for 2018/19. The route would be less in scope and only include stops with more frequent riders.

The Town Trolley is free to all riders and 100% paid by ALF. The Town Trolley would have stops at Town Hall, Camelback Inn, Echo Canyon Trailhead, Cholla Trailhead and Scottsdale Fashion Square. Fashion Square is then a hub where riders can transfer to Baseball Facilities and Downtown Scottsdale. The new route would reach Cholla Trail from a southbound direction, resolving a previous issue of pedestrians needing to cross the busy roadway. Services would be provided February 14 to April 27, 2019.



ALF in 2020

PUBLIC TRANSIT

PROGRAM DESCRIPTION

Public transportation is recommended to be fully (100%) funded through funds distributed to jurisdictions from Valley Metro. The funding is from Arizona Lottery Fund (ALF); and the Deputy Town Manager acts as the program manager. No general fund resources are being requested or recommended for public transportation programs in the recommended 2019/20 budget.

Public transit is "defined as any service, vehicle(s), or support facility for a vehicle(s), intended for the purpose of conveying multiple passengers (i.e. typically 5 or more)" and "includes the planning and administrative support for such services". Some "special needs", "dial-a-ride", or other demand-responsive or carpool vehicles may have less than 5 passengers. Services can be contracted with a transit provider.

Examples of eligible expenditures include, but not limited to:

- ▶ Fleet, buses, vans and paratransit vehicles;
- ▶ Light and rapid rail construction projects;
- ▶ Passenger shelters, bus stop signs, and similar passenger amenities;
- ▶ Vehicle rehabilitation, remanufacture or overhaul;
- ▶ Storage or maintenance facility construction or rehabilitation;
- ▶ Provide access to bicycle transport, transit vehicles or to transit facilities;
- ▶ Lease of equipment when lease is more cost effective than purchase;
- ▶ Passenger information kiosks, scheduling technology, and weather information systems;
- ▶ Fuel, oil and maintenance costs for vehicles;
- ▶ Transit employee salaries;
- ▶ Marketing and administration of programs to encourage reductions in travel and promote alternative modes such as carpooling, vanpooling, walking, bicycling, and alternative work schedules.
- ▶ Marketing to advertise and promote transit service in the service area.

Funds under this program are required to be spend within two years of receipt. The table on the next page shows how the AFL funds have been used since FY2016/17.

The final grant submissions are typically due at the end of January. Staff will revisit this budget with Council before Thanksgiving to validate options for use of funds.



ALF in 2020

Updated Accounting

PUBLIC TRANSIT

► EXPENDITURES ◄

The below table summarizes the Town's previous uses of ALF. It is recommended to continue the trip reduction program and maintenance of the bus stops. It is estimated that the Town will have up to \$38,153 for other programs in FY2020 as designated "To be allocated".

PUBLIC TRANSPORTATION Table 1 - Expenditures by CATEGORY						
REVENUE BY SOURCE	Budget	Projected	Change	Change	Actual	Actual
USES BY CATEGORY	2019/20*	2018/19	\$	%	2017/18	2016/17
Beginning fund balance, July 1	\$ 15,153	\$ 17,570	\$ (2,417)	-14%	\$ 12,916	\$ 16,503
Plus: ALF Revenue	38,000	37,737	263	1%	38,721	37,616
Total Sources	53,153	55,307	(2,154)	-4%	51,637	54,119
Trolley services	-	25,000	(25,000)	-100%	25,200	25,200
Bus stop maintenance	5,000	4,737	263	6%	-	-
Trip reduction	10,000	10,417	(417)	-4%	5,417	2,283
Bus stop refurbish	-	-	-	n/a	3,450	13,720
To be allocated	38,153	-	38,153	n/a	-	-
Total Uses	53,153	40,154	13,133	32%	34,067	41,203
Ending fund balance, June 30	\$ -	\$ 15,153	\$ (15,307)	-100%	\$ 17,570	\$ 12,916

Continuing the Trolley services is an option but is not recommended with this recommended budget. Further information on recommended use(s) of ALF will be brought to Council for discussion before Thanksgiving.

\$38,000 Estimated revenue in 2020*
 21,424 Carried from prior year(s)
 (10,000) Less trip reduction
 (5,000) Less bus stop maintenance
 \$44,424 Designated by January 2020

*No more than \$38,000 should be carried forward to FY2021



ALF in 2020

Public Transit
RECOMMENDED BUDGET 2019/20
Page 159



April 25th, 2019

Eligible Expenditures



Examples of eligible expenditures include, but not limited to:

- ▶ Fleet, buses, vans and paratransit vehicles;
- ▶ Light and rapid rail construction projects;
- ▶ Passenger shelters, bus stop signs, and similar passenger amenities;
- ▶ Vehicle rehabilitation, remanufacture or overhaul;
- ▶ Storage or maintenance facility construction or rehabilitation;
- ▶ Provide access to bicycle transport, transit vehicles or to transit facilities;
- ▶ Lease of equipment when lease is more cost effective than purchase;
- ▶ Passenger information kiosks, scheduling technology, and weather information systems;
- ▶ Fuel, oil and maintenance costs for vehicles;
- ▶ Transit employee salaries;
- ▶ Marketing and administration of programs to encourage reductions in travel and promote alternative modes such as carpooling, vanpooling, walking, bicycling, and alternative work schedules.
- ▶ Marketing to advertise and promote transit service in the service area.

1

BUDGET SUMMARY



- ▶ Funds under this program are required to be spend within two years of receipt.
- ▶ There is an estimated \$38,000 new revenue in FY2020; and \$15,153 carried over from FY2019

- ▶ It is recommended to continue the trip reduction program with \$10,000 and maintenance of the bus stops with \$5,000
- ▶ This leaves \$38,153 to be allocated

- ▶ Continuing the Trolley services (\$25,000) is an option but is not recommended with this recommended budget.
- ▶ Further information on recommended use(s) of ALF will be brought to Council for discussion before Thanksgiving.

2



Key Questions

Do we want to accept the funding?

If yes, to what public transportation need should it be applied?

Note: Following indication of Council preference, additional staff time will be required to determine the implementation plan for the preferred use. Staff will return in future study session with specific details.



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LTAF II Guidelines

Options to Consider

- Bus stop maintenance (ongoing)
- County air quality program (ongoing)
- Ride share vouchers
- Shuttle from bus stops to:
 - Resorts
 - Places of worship
- Bus pullouts at bus stops on Tatum
- Land acquisition for sidewalk completion (allows better access to bus stops)
- Shuttle options to alleviate parking issues at trailheads



November 7th, 2019