

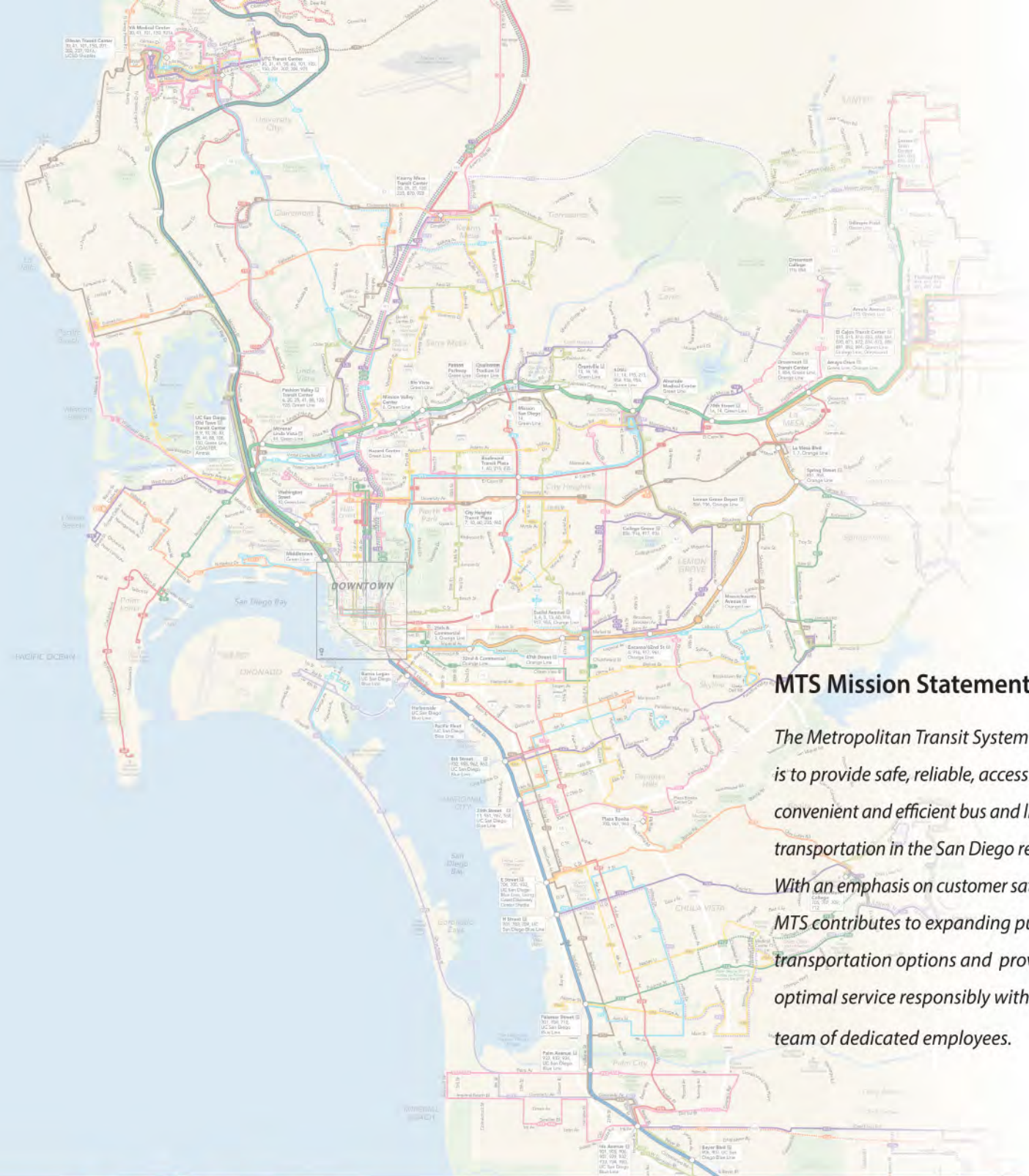


Community Impact and Performance Report

2016

Black Mountain Ranch San Pasqual Peninsula Rancho Encantada College Mission Skyline Sabre Springs Chula Vista North City
Navajo Southeast San Diego Barrio Logan Downtown Centre City North Park Rancho Bernardo Rancho Peñasquitos Kensington-Talmadge Tierrasanta Mission Beach Normal Heights Otay Mesa-Mira Mesa Midway University
Golden Hill Barrio Logan Carmel Mountain Ranch Downtown Centre City North Park Rancho Bernardo Rancho Peñasquitos Kensington-Talmadge Tierrasanta Mission Beach Normal Heights Otay Mesa-Mira Mesa Midway University
Serra Mesa National City San Ysidro Kearny Mesa Linda Vista Miramar Torrey Pines City Heights Mission Valley Old Town
Imperial Beach La Mesa La Jolla Pacific Beach Lemon Grove Encanto San Ysidro





MTS Mission Statement

The Metropolitan Transit System's mission is to provide safe, reliable, accessible, convenient and efficient bus and light rail transportation in the San Diego region. With an emphasis on customer satisfaction, MTS contributes to expanding public transportation options and providing optimal service responsibly with a skilled team of dedicated employees.



Message from the CEO

For more than 130 years, public transportation has been serving the San Diego community and helping it thrive. The positive impacts of public transportation on our communities has been, and will continue to be, far-reaching.

The purpose of this report is to quantify those positive impacts, not just from a transportation perspective, but from all economic angles. The numbers generated by the Metropolitan Transit System may surprise you.

- We have established new ridership records in each of the last two years and now carry almost 100 million people a year
- We directly and indirectly employ almost 2,500 people
- Our annual budget exceeds \$280 million
- We have invested more than \$500 million in the last 10 years on new and clean-fuel buses and Trolleys (many of which were manufactured in California)
- We have completed major renovations of the UC San Diego Blue, Orange and Green Line trolley system as well as for our major operations centers in Chula Vista and El Cajon. Together these projects represent another \$500 million of investment.

I can say, without hesitation, that MTS is in the best shape in its history. We carry more people and are more efficient than ever before. As you will see in this report, we do more with fewer resources than our peer agencies. We are also well-positioned to accommodate even more riders as our regional growth strategies depend on public transportation for success.

MTS is proud of the service it provides. We want you to be as well. Take a look at our numbers. Please feel free to contact me if you have any questions or would like to talk further about our service.

Sincerely,

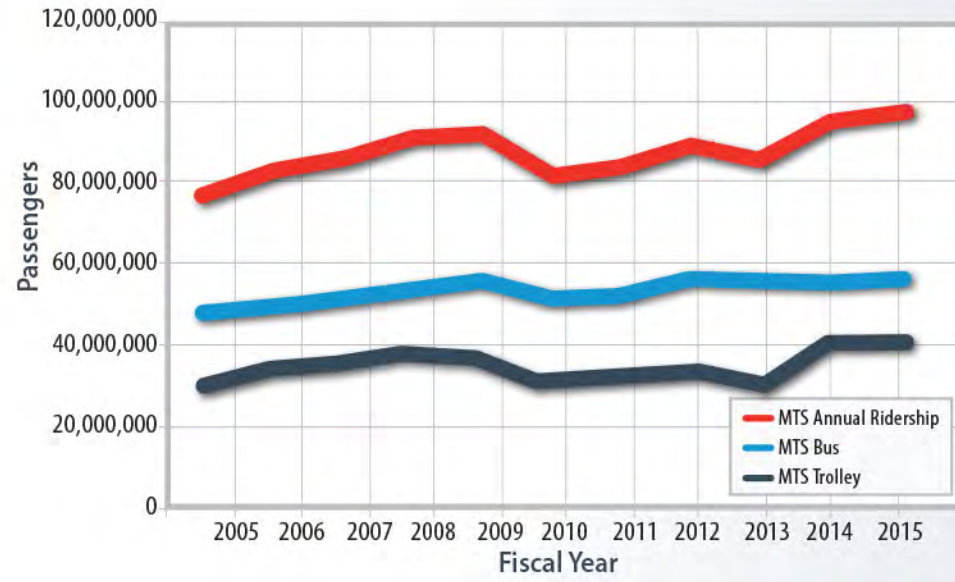
Paul C. Jablonski
 Chief Executive Officer
 San Diego Metropolitan Transit System



RIDERSHIP

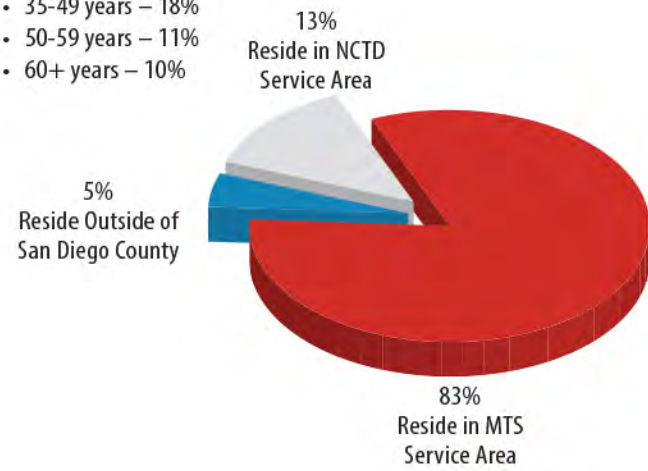
How Many People Ride?

MTS ridership has been steadily growing, particularly in the last two years. MTS broke a ridership record in both FY 2014 and FY 2015, which means more people than ever before are using public transit as their choice for transportation. More service, higher frequencies and better amenities have all contributed to gains in ridership.



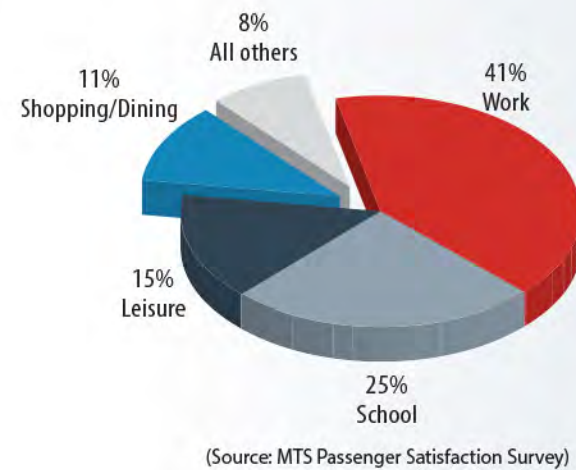
Who is Riding MTS?

- 13-18 years – 11%
- 19-24 years – 27%
- 25-34 years – 23%
- 35-49 years – 18%
- 50-59 years – 11%
- 60+ years – 10%



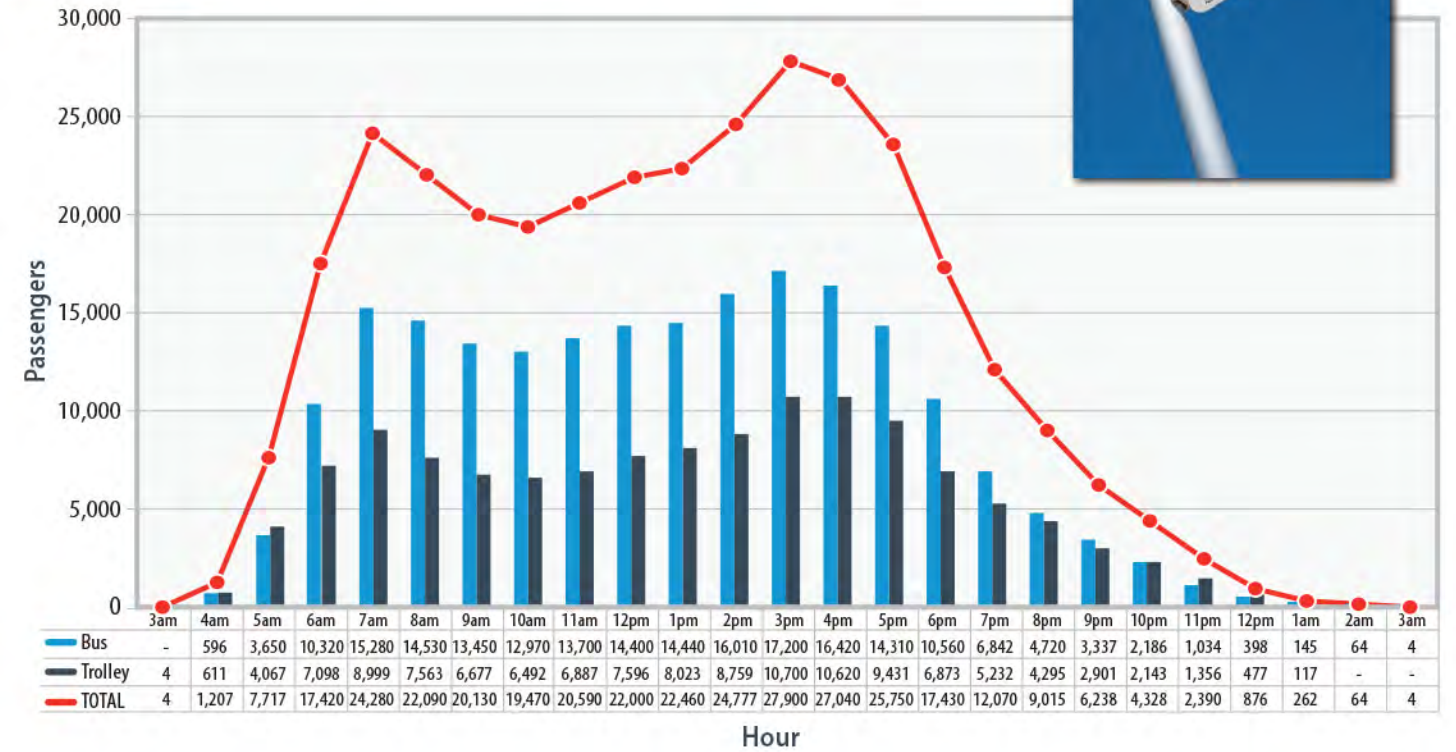
Where are People Going?

Work, school and leisure are the top three purposes for rider trips.



When do People Ride?

Public transportation isn't used just during the peak periods. From morning through evening, MTS vehicles are highly used.



RIDERSHIP

Serving San Diego Communities Top 10 Bus Routes

- 1 Route 7** – 3,473,855 passengers (10,852 avg. weekday passengers)
Communities served: Downtown San Diego, Balboa Park, North Park, City Heights, Vista Colina, Rolando, Helix, La Mesa
- 2 Route 929** – 2,581,788 passengers (8,434 avg. weekday passengers)
Communities served: Otay Mesa, Downtown Chula Vista, National City, Barrio Logan, Southcrest, Logan Heights, East Village, Gaslamp Quarter
- 3 Route 11** – 2,450,774 passengers (8,311 avg. weekday passengers)
Communities served: Skyline, Encanto, Esperanza, Valencia Park, Lincoln Park, Southcrest, Logan Heights, East Village, Gaslamp Quarter, Little Italy, Hillcrest, Kensington, College Heights, College West
- 4 Route 13** – 2,135,319 passengers (7,045 avg. weekday passengers)
Communities served: Grantville, Allied Gardens, Teralta East, City Heights, Swan Canyon, Ridgeview-Webster, Chollas View, Chollas Creek, Lincoln Park, Paradise Village, National City
- 5 Route 30** – 2,097,354 passengers (6,757 avg. weekday passengers)
Communities served: UTC, UC San Diego, La Jolla Shores, Bird Rock, Pacific Beach, Bay Park, Old Town, Little Italy, Downtown San Diego
- 6 Route 933/934** – 1,828,399 passengers (6,163 avg. weekday passengers)
Communities served: Imperial Beach, Otay Mesa, Riviera Del Sol, Palm City
- 7 Route 3** – 1,814,810 passengers (6,260 avg. weekday passengers)
Communities served: Montecito Point, Hillcrest, Mission Hills, Park West, Cambridge Square, Balboa Park, Cortez Hill, Gaslamp Quarter, East Village, Logan Heights, Mountain View, Lincoln Park, Chollas Creek
- 8 Route 10** – 1,595,138 passengers (5,336 avg. weekday passengers)
Communities served: Old Town, Marine Corps Recruit Depot, Mission Hills, Hillcrest, North Park, City Heights, City View, Teralta East, Vista Colina, El Cerrito, Rolando
- 9 Route 906/907** – 1,583,527 passengers (5,168 avg. weekday passengers)
Communities served: San Ysidro, Otay Mesa West
- 10 Route 955** – 1,579,755 passengers (5,168 avg. weekday passengers)
Communities served: San Diego State University, College West, Talmadge, Colina Del Sol, Vista Colina, Oak Park, Lincoln Park, Southcrest, National City

(FY 2015 passenger data)

Trolley Lines

UC San Diego BLUE LINE
16,532,209 passengers (52,166 avg. weekday passengers)
Communities served: South Bay, National City, Chula Vista, Barrio Logan, San Ysidro, Imperial Beach, Southcrest, East Village, Gaslamp Quarter

GREEN LINE
13,113,614 passengers (38,761 avg. weekday passengers)
Communities served: Gaslamp Quarter, Little Italy, Middletown, Mission Hills, Old Town, University of San Diego, Mission Valley, Grantville, College West, San Diego State University, Del Cerro, Lake Murray, College East, Grossmont, El Cajon, Santee

ORANGE LINE
10,404,698 passengers (32,230 avg. weekday passengers)
Communities served: Gaslamp Quarter, East Village, Grant Hill, Stockton, Mt. Hope, Mountain View, Chollas View, Emerald Hills, Encanto, Lemon Grove, La Mesa, Grossmont, El Cajon

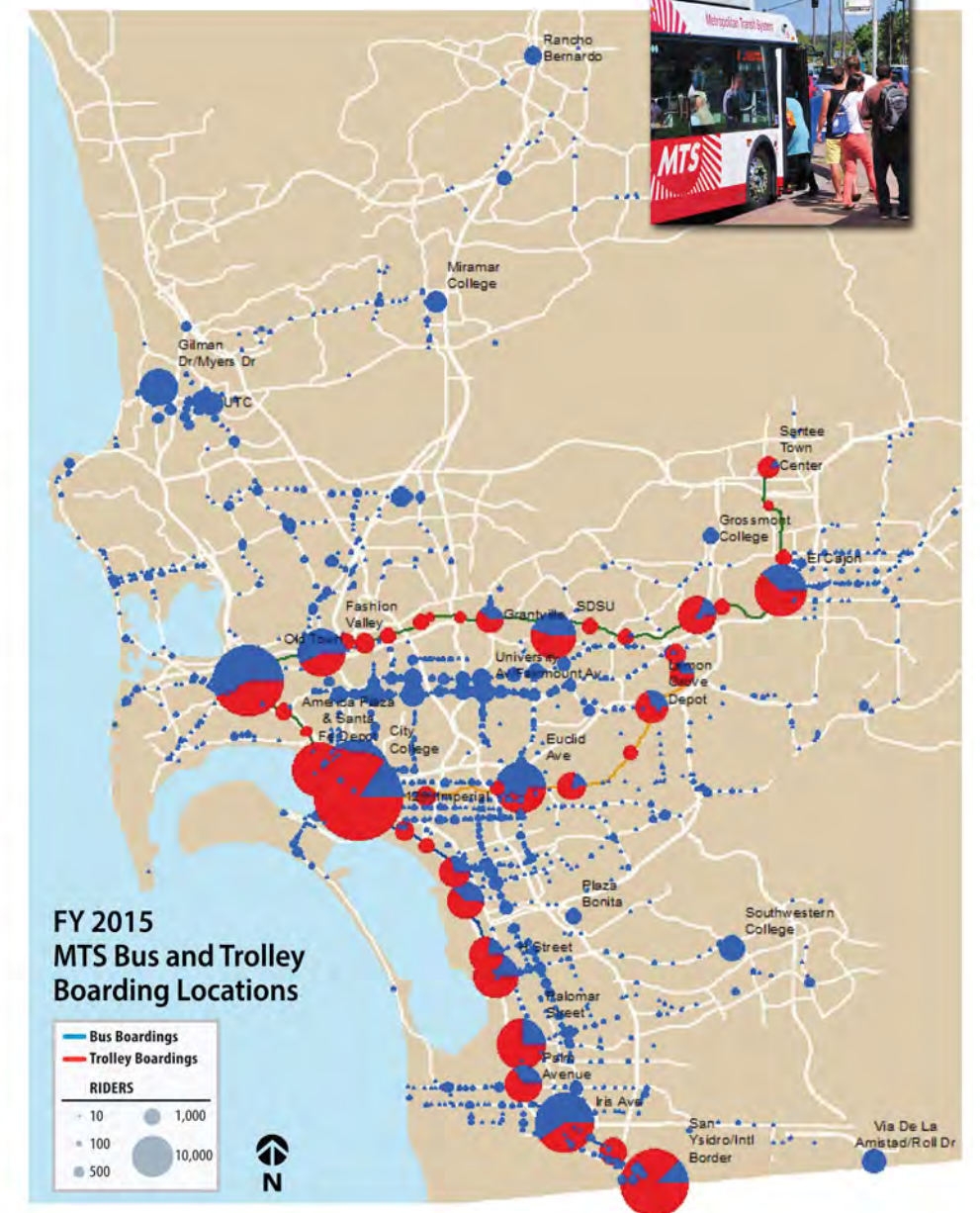
(FY 2015 passenger data)

Depending on Transit

The heat map below depicts transit activity throughout the MTS service area. Significant activity takes place at strategic stations along the Trolley lines, such as 12th & Imperial Transit Center, San Ysidro Transit Center, and the El Cajon Transit Center.

The Trolley and the new **Rapid** bus network create a trunk system that operates at high frequency with high-capacity vehicles, moving people longer distances across the region. Local, urban, and community buses provide feeder services into these main lines, connecting at major transit centers and transfer points. These bus routes serve local destinations within communities and along major corridors, such as Genesee Ave., Euclid Ave., and Palm Ave.

Synergy between the trunk Trolley and bus lines and the supporting bus services multiply the possible travel destinations for riders. This allows MTS to efficiently provide connectivity to both large and small neighborhoods throughout San Diego.



ECONOMIC IMPACTS

Where Transit Goes, Communities Grow

San Diego's public transit system can help household budgets, spur economic activity and create jobs.

Savings!

A two-person household can save, on average, more than \$12,000 per year by reducing one car from the family lot.

Savings based on the cost of owning and driving a vehicle, and the cost of monthly parking.
Source: APTA Transit Savings Report

Did you know?

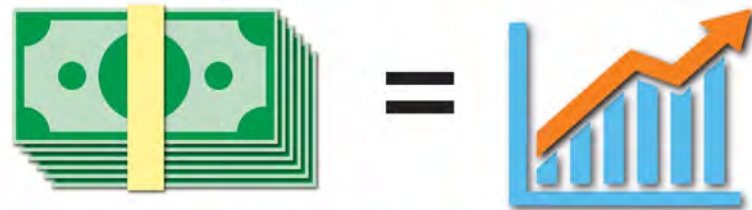
Home values in San Diego perform 17 percent better if they are located near MTS Trolley stations.



Every \$1 invested in public transit generates approximately \$4 in economic returns



Every \$1 billion invested in public transit supports and creates 12,000 jobs



Every \$10 million in public transit investments yields \$30 million in increased business.

MTS provides economic opportunities and drives community growth

Growing Our Network

While Maintaining State of Good Repair

MTS doesn't just drive buses and Trolleys through San Diego's core neighborhoods, MTS also helps drive San Diego's economy. MTS and SANDAG have just completed multi-million dollar projects and have a number of high-level projects in the works

that create jobs, improve the economy and strengthen regional infrastructure. *TransNet*, the half-cent sales tax for local transportation projects plays a significant funding role to make these improvements and more.

A few highlights include:

San Diego Trolley Renewal

- Project Cost: \$660 million
- Project Duration: 5 years
- Completion Date: September 2015
- **Jobs Created: 7,920**



Orange Line
Euclid Avenue Trolley Station

South Bay Rapid

- Project Cost: First phase - \$113 million
- Project Duration: 2 years
- Completion Date: 2018 (estimated)
- **Jobs Created: 1,200** (estimated)



East County and South Bay Bus Operations and Maintenance Facilities

- Project Cost: \$54 million
- Project Duration: 3 years
- Completion Dates:
South Bay
July 2014
East County
Late Summer 2016
(estimated)
- **Jobs Created: 648**



Mid-Coast Trolley Extension

- Project Cost: \$2 billion
- Project Duration: 4 years
(Construction estimated to begin in 2016)
- Completion Date: 2021 (estimated)
- **Jobs Created: 24,000** (estimated)



COMMITMENT TO COMMUNITY

Local Law Enforcement

In March 2015, MTS launched a joint task force with five local law enforcement agencies to enhance the safety and security of San Diego's transit system. The task force operates as a mix of plain clothes and uniformed officers using unmarked and marked vehicles. Uniformed law enforcement officers now conduct operations in conjunction with 200 MTS security personnel. Task force members conduct fare inspections, look for suspicious activity and help ensure a safe environment for passengers.

Participating agencies are:

- Chula Vista Police Department
- El Cajon Police Department
- La Mesa Police Department
- San Diego Police Department
- San Diego County Sheriff's Department



Passenger Safety

Top priorities of MTS are passenger and employee safety. Highlights of security services include:

- More than 10,000 security cameras on Trolleys, buses and transit centers
- 220 security officers
- Code compliance officer body cameras
- TSA-trained K-9 unit
- Security details to patrol late-night trains and stations
- Transit Security Task Force working with local law enforcement agencies
- See Something, Say Something public-awareness program

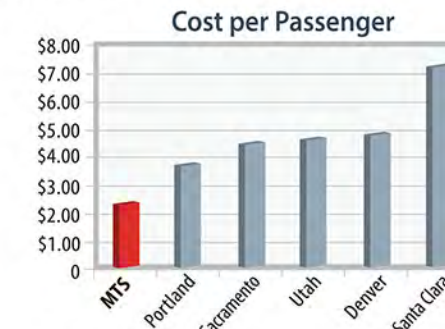


Accountability

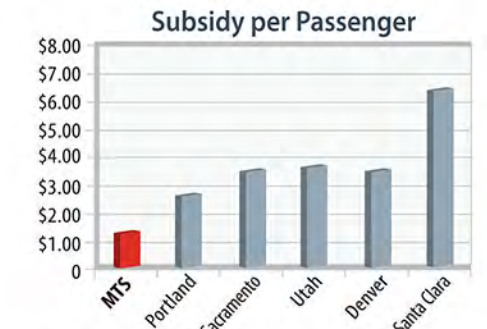
When it comes to being good stewards of the taxpayer dollar, MTS is at the top of the list compared to peer agencies.



Percent of total operating costs paid for directly by passengers with their fare. Farebox recovery is improved by: 1) increasing ridership; 2) reducing costs; and/or 3) increasing fares.



Amount that it costs MTS to transport each passenger on each trip.



Amount of each passenger's trip cost that is not covered by the fare that they pay. This difference between the cost of transportation and the fare paid is covered by tax dollars.

Stretching the Dollar

MTS runs lean and mean at our core, and we are good at it.

Local sales tax-based revenue for MTS is significantly less than agencies in Los Angeles and San Francisco.

As part of the TransNet spending formula, MTS receives about 1/8 of a cent of every dollar spent.

San Diego
1/8¢



Los Angeles
1.5¢



San Francisco
1.5¢



Non-Fare Revenue

MTS is always looking for innovative ways to increase non-fare revenue to supplement fares and public funding to improve our service to the community. Examples include:

- Bus Shelter and Bench Advertising
\$1.06 million annually
- Bus and Trolley Wraps
\$750,000 annually
- Comic-Con
\$650,000 annually
- Desert Line Lease Agreement
\$1 million annually
- UC San Diego Naming Rights Agreement
\$675,000 annually, escalating to about \$1.6 million annually
- Other lease revenue agreements
\$1.86 million annually



COMMITMENT TO COMMUNITY

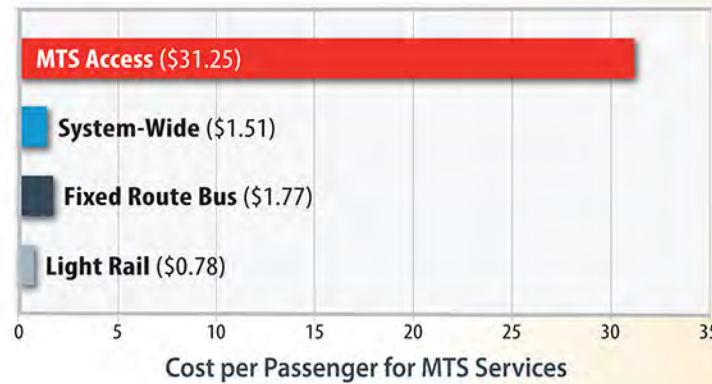
MTS Commitment to Special Needs Riders

For those unable to access Trolley and bus service due to disabilities, MTS offers Access service, which operates wheelchair lift-equipped buses to provide transportation. It's a costly mandate by the federal government. The cost to provide MTS Access is demanding more MTS resources than ever before. It is an essential service to provide and MTS has launched several initiatives to increase efficiencies.

MTS also provides a **75 percent discount** for monthly transit passes for seniors, the disabled and Medicare recipients who qualify. About 20 percent of MTS daily ridership, or 60,500 passengers, use S/D/M passes.

MTS experienced an uptick in people attempting to use S/D/M reduced-fare passes illegally on the system. In response, MTS stepped up enforcement efforts and began a rider outreach campaign designed to convert S/D/M passengers to a photo ID card.

These efforts have helped safeguard the substantial discount for those who qualify. In FY 2015, more than 15,000 S/D/M photo ID cards were issued. That's more than were issued in 2013 and 2014 combined.



In January 2016, the MTS Board approved an ordinance amendment to step up enforcement efforts for prioritized seating on buses and Trolleys for the elderly (65+) and disabled passengers. Refusal by a passenger to vacate priority seating and wheelchair areas upon request now may result in a citation and a fine up to \$100, plus significant court administrative fees.



Environment

All San Diego residents have an opportunity to reduce their individual carbon footprint.

Riding transit helps fight the good fight in many ways, including:

Reducing Carbon Emissions

One San Diego resident with a 20-mile round trip commute who switches from driving to public transit can reduce his or her daily carbon emissions by 20 pounds, or more than 4,800 pounds in a year.



Saving Gas

Public transportation use in the United States saves 4.2 billion gallons of gasoline annually.



Driving Fewer Miles

Households near public transit drive an average of 4,400 fewer miles than households with no access to public transit.



It's not just our riders who contribute to reducing GHG emissions by taking the bus and Trolley. Our commitment to great service is matched in many ways by our commitment to air quality. Here are a few examples of our efforts:

Investing in Solar

In 2015, MTS signed a contract to purchase 600 brand new bus shelters with environmentally-friendly features, such as solar power and LED lighting systems.

LEED Certification

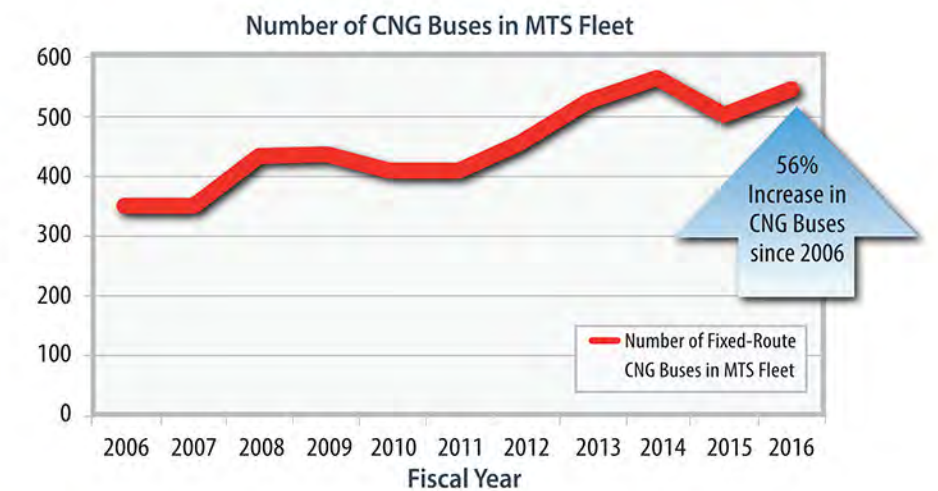
Our South Bay Bus Operations and Maintenance Facility, which opened in 2014, was built to California Green Building code and is certified as "LEED Silver." The same status is planned for a similar facility being built in East County.

Biogas

MTS is the first transit agency in the State of California to use biogas - a gas extracted from a renewable source, such as agricultural waste. It's a "greener" type of gas than both diesel and natural gas.

Fighting GHG Emissions

Our zero-emissions Trolleys and fixed-route bus fleet running Compressed Natural Gas highlight our commitment to help reduce GHG emissions in the air.



COMMUNITY PARTNERSHIPS

Stuff the Bus Annual Food Drive

More than 475,000 people in San Diego are impacted by hunger, including 138,300 children. Over the last seven years, MTS has provided more than 100,000 meals for families in need during the holiday season in partnership with the Girl Scouts of San Diego, the San Diego Food Bank and Vons/Albertson's.

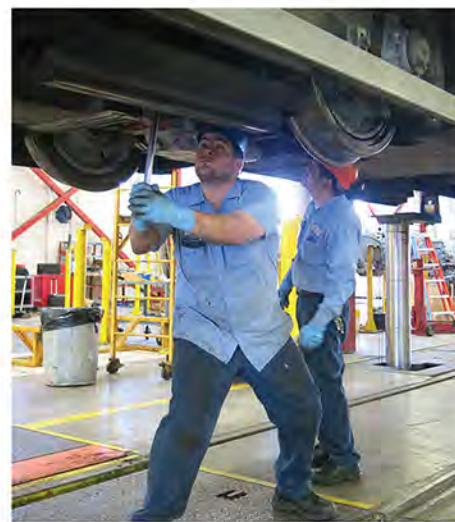


San Diego City College Apprenticeship Program

MTS has a long-standing 100-year relationship with San Diego City College. When City College opened its doors in Fall 1914, students rode streetcars into downtown. MTS has continued that legacy.

San Diego City College has been training the Trolley's maintenance employees for more than two decades.

During the program, students must complete 8,000 of on-the-job training hours. Over the past 20 years, more than 500 students have been through the program.



Laptop Scholarship Program

In partnership with Coca-Cola, for the last 12 years, MTS has challenged high school seniors to think about ways transit improves the lives of families throughout San Diego through the annual laptop scholarship essay contest.

In 2015, more than 200 students entered the contest from 66 different high schools.

Lenovo Yoga 2-in-1 touch-screen laptop computers were awarded to the top 40 student essays from 27 different schools in San Diego County.



ECO Pass Program

The MTS ECO Pass program provides San Diego businesses with discounted bus and Trolley passes for their employees. It's a tiered-level discount system ranging from 10 to 25 percent based on the total number of monthly passes pre-purchased as part of an annual contract.

Employers are seeking affordable alternatives to driving for their employees. As traffic and parking congestion and MTS services continue to grow, so does the popularity of the MTS ECO Pass program.



Many prominent San Diego-based organizations participate in ECO Pass, such as:



For more information about Eco Pass, visit www.sdmts.com/fares-passes-pass-programs/employer-programs

Triton U-Pass

In 2014, a new MTS and UC San Diego partnership created the Triton U-Pass. The program offers UC San Diego students unlimited rides during the fall, winter and spring quarters. More than 30,000 students participate in the program and pay for the service with registration fees.

The introduction of Triton U-Pass saw demand for bus service increase on many of the routes that touch UC San Diego. To match this demand, MTS increased the frequency and number of buses with touchpoints at UC San Diego and added *Rapid* service in University City.

With the Mid-Coast Trolley extension beginning construction in 2016, UC San Diego students will soon gain access to both bus and Trolley service at their doorstep.

- SuperLoop *Rapid* – 56% increase in ridership Serves North University City
- *Rapid* 237 – 49% increase in ridership Serves UTC, Mira Mesa, Miramar College and Rancho Bernardo
- Route 150 – 46% increase in ridership Serves UTC, La Jolla, Old Town and Downtown San Diego



MTS MILESTONES

<ul style="list-style-type: none"> Green Line Mission Valley East extension opens, connecting Old Town to Santee through SDSU 	<ul style="list-style-type: none"> TSA-trained bomb-detecting K-9 unit initiated for Trolley and transit stations Leon Williams retires as MTS Board of Directors Chair 	<ul style="list-style-type: none"> Harry Mathis first elected as MTS Board of Directors Chair MTS Comprehensive Operational Analysis (COA) redesigns bus network for the first time in 23 years 	<ul style="list-style-type: none"> MTS adds 26 new Compressed Natural Gas-powered articulated buses, replacing older diesel models MTS passes milestone and honors 500 millionth ride 	<ul style="list-style-type: none"> Initial purchase of 57 new model low-floor Trolley cars for \$205 million MTS is named Outstanding Public Transit System of the Year by the American Public Transportation Association 	<p>TROLLEY RENEWAL</p> <ul style="list-style-type: none"> The 5-year \$660 million Trolley Renewal project begins; first phase is replacement of all catenary wire on the Blue Line MTS signs \$3.3 million agreement to sell 11 Trolleys to Mendoza Province in Argentina 	<ul style="list-style-type: none"> MTS begins service on the Silver Line <i>A downtown San Diego loop featuring renovated PCC streetcars</i> MTS dedicates SDSU Trolley Station to Leon Williams 	<ul style="list-style-type: none"> Extended Green Line Trolley Service from Old Town to Downtown San Diego for more efficient travel MTS reaches agreement with Albertson's for Compass Card distribution in San Diego 	<ul style="list-style-type: none"> MTS introduces mobile ticketing app called mTicket for special events Low-Floor Trolleys begin operating on the Orange Line 	<ul style="list-style-type: none"> MTS introduces <i>Rapid</i> 215, 235 and 237 - three commuter and express bus routes from SDSU to Downtown, San Diego, Escondido to Downtown San Diego and Rancho Bernardo to UC San Diego MTS sets a record for Comic-Con Trolley ridership with 239,227 extra trips taken during the four-day event 	<ul style="list-style-type: none"> \$660 million Trolley Renewal Project is completed, revitalizing entire system MTS reaches 30-year, \$36 million naming rights agreement with UC San Diego Health for the Blue Line 	<ul style="list-style-type: none"> 2016 East County Bus Operations and Maintenance Facility opens 2018 South Bay Rapid Cost: \$113 million (Phase One)
<ul style="list-style-type: none"> MTS reaches 99-year ground lease agreement with Fairfield Residential for \$100 million for Transit Oriented Development at Grossmont Transit Center First low-floor Trolley cars deployed on system, operating on the Green Line 	<ul style="list-style-type: none"> Smart Corner Grand Opening - Mixed-use Transit Oriented Development partnership between MTS, City of San Diego and SANDAG 	<ul style="list-style-type: none"> MTS adds 26 new commuter buses to service 	<ul style="list-style-type: none"> Compass Cards first introduced to the public 	<ul style="list-style-type: none"> MTS and SANDAG reaches agreement with Vons for Compass Card distribution in San Diego 	<p>GO!</p> <ul style="list-style-type: none"> MTS introduces a real-time arrival texting option, the MTS GO! app and GTFIS-realtime to improve next-arrival information for riders. MTS was one of eight transit agencies to partner with Google on public transportation scheduling technology. 	<ul style="list-style-type: none"> MTS introduces mobile ticketing app called mTicket for special events 	<ul style="list-style-type: none"> MTS introduces <i>Rapid</i> 215, 235 and 237 - three commuter and express bus routes from SDSU to Downtown, San Diego, Escondido to Downtown San Diego and Rancho Bernardo to UC San Diego 	<ul style="list-style-type: none"> MTS sets a record for Comic-Con Trolley ridership with 239,227 extra trips taken during the four-day event 	<ul style="list-style-type: none"> South Bay Bus Operations and Maintenance Facility opens 	<ul style="list-style-type: none"> MTS receives perfect score from federal government during comprehensive review of operations and finances. It was the third straight perfect score for MTS. 	<ul style="list-style-type: none"> 2021 Mid-Coast Trolley Extension Cost: \$2 billion

By the Numbers

\$282.8 million MTS budget in FY 2015

314,127 Average weekday passengers

\$99.9 million Farebox revenue collected in FY 2015

96.7 FY 2015 ridership in millions

570 Service area in square miles

1,514 Number of MTS employees

1,300 Contract employees

797 MTS buses in operation

128 Trolley cars in operation

509 Trolley trips scheduled each weekday

6,580 Bus trips scheduled each weekday

107.6 Total track miles

95 Number of bus routes

89.5 Percent of Trolleys running on time

80.8 Percent of buses running on time

1981 Trolley began operations –
First modern light rail system
in the U.S.



The Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations) and SDVTI, a 501(c)(3) nonprofit corporation. MTS is the taxicab administrator for seven cities.

MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490
(619) 231-1466

Board of Directors

This is a joint Board of Directors for the Metropolitan Transit System, San Diego Transit Corporation, and San Diego Trolley, Inc.

Board Members

David Alvarez
San Diego City Council

Lorie Bragg
Imperial Beach City Council

Myrtle Cole
San Diego City Council

Jim Cunningham
Poway City Council

George Gastil
Lemon Grove City Council

Todd Gloria
San Diego City Council

Harry Mathis
Chairman of MTS Board

Bob McClellan
El Cajon City Council

Guy McWhirter
La Mesa City Council

John Minto
Santee City Council

Mona Rios
National City City Council

Ron Roberts
Vice Chairman of MTS Board,
San Diego County
Board of Supervisors

Mary Salas
Chula Vista Mayor

Mike Woiwode
Coronado City Council

Lorie Zapf
San Diego City Council

