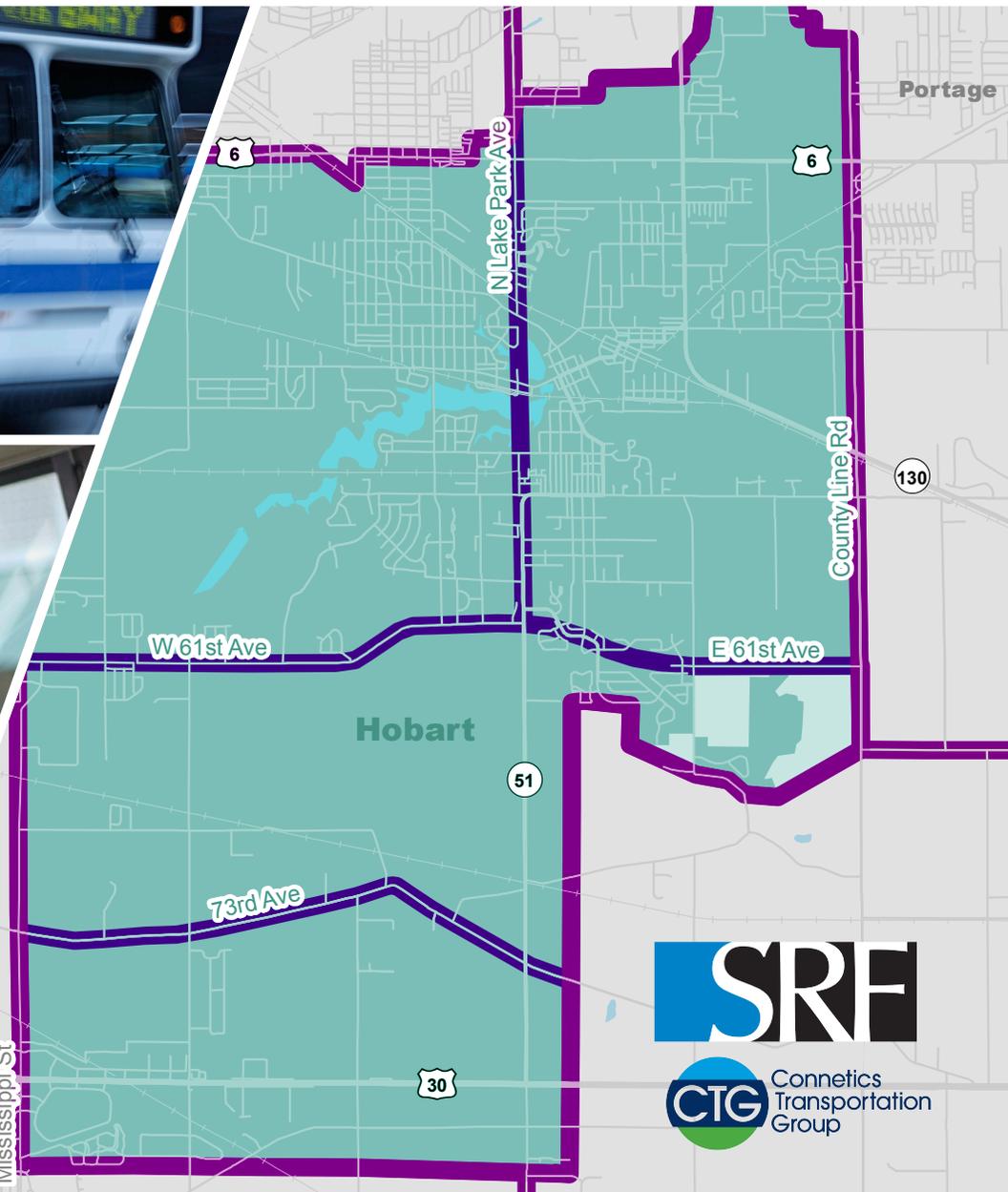


HOBART

Transit
Feasibility
Study

July 2017



Hobart Transit Feasibility Study

Final Report

City of Hobart, Indiana

July 2017



Table of Contents

List of Figures	iii
List of Tables	v
Chapter 1. Introduction	1
Community Profile	1
Document Organization.....	1
Chapter 2. Transportation Needs Assessment.....	3
Existing Transit service.....	3
Population and Employment.....	3
Development Density and Transit Supportive Areas	6
Transportation Disadvantaged Populations	6
Low Income Population	10
Outreach Efforts to Assess Need.....	11
Community Survey	13
Travel Generators and Patterns	19
NIRPC Regional Travel Model	20
South Lake County Community Services (SLCCS) Trip Patterns	30
Summary of Identified Needs.....	31
Chapter 3. Transit Service Options.....	33
Peer Analysis	33
Initial Alternative Evaluation	36
Development Methodology.....	36
Alternatives	37
Alternative Evaluation	47
Chapter 4. Financial Analysis	49
Revenue Estimation.....	49
Sources of Local Share of Funding	50
Chapter 5. Conclusions.....	55
Committee Recommendation	55
Overview of the Recommended Demand Response Concept	58
Transit Connection.....	59
Marketing Plan.....	59
Chapter 6: Interim Concept Operating Proposals.....	60

Contracted Service Cost Model Assumptions..... 60
Directly Operated Service Cost Model Assumptions..... 61
Annual Operating and Maintenance Cost Estimates for Alternate Operating Concepts..... 62
Appendix A: Additional Survey Comments 64
“Other” Trip Purposes for which People Would Use Transit..... 64
“Other” Methods of Paying for Transit..... 66

List of Figures

Figure 1.	Population Density in Hobart and Surrounding Areas.....	2
Figure 2.	1980 to 2010 Population Change in Northwestern Indiana.....	4
Figure 3.	Hobart Household Population Density.....	5
Figure 4.	Transit Supportive Areas in Hobart	7
Figure 5.	Population Density of Persons 65 Years of Age and Older	8
Figure 6.	Population Density of Persons 19 Years of Age and Younger.....	9
Figure 7.	Density of Zero Vehicle Households	10
Figure 8.	Median Household Income	12
Figure 9.	Survey Participants' Primary Mode of Transportation	13
Figure 10.	Places of Residence and Employment.....	15
Figure 11.	Willingness to Use Transit	16
Figure 12.	Trip Purpose and Interest in Transit	16
Figure 13.	Willingness to Use Transit by Vehicle Access.....	17
Figure 14.	Willingness to Use Transit by Age	18
Figure 15.	Willingness to Use Transit by Annual Household Income.....	18
Figure 16.	Transit Funding Preferences	19
Figure 17.	Hobart Key Travel Generators.....	20
Figure 18.	Daily Intracity Trips: Home-Based Work.....	22
Figure 19.	Daily Intracity Trips: Home-Based Other/Shopping.....	23
Figure 20.	Daily Intracity Trips: Non-Home-Based	25
Figure 21.	Daily Intracity Trips: All Trip Purposes.....	26
Figure 22.	Daily Regional Trips: Home-Based Work	27
Figure 23.	Daily Regional Trips: Home-Based Other/Shopping.....	28
Figure 24.	Daily Regional Trips: Non-Home-Based.....	29
Figure 25.	Daily Regional Trips: All Trip Purposes	30
Figure 26.	South Lake County Community Services Origins, Destinations and One-Way Trips for February 2016.....	32
Figure 27.	Demand Response Alternative	39
Figure 28.	Fixed Route Alternative.....	41
Figure 29.	Deviated Fixed Route	43
Figure 30.	Deviated Fixed Route Alternative Routing – Portage Connection	45
Figure 31.	Commuter Alternative	46
Figure 32.	Approximate Funding Distribution based on Averages from 2015 PMTF Reports.....	49

Figure 33. Committee Recommendation for Hobart Demand-Response Service 56
Figure 34. Committee Recommendation for Commuter Service from Hobart..... 57

List of Tables

Table 1.	Community Mobility Needs Supported by Expanded Transit Service.....	11
Table 2.	Fixed Route Peer Selection	34
Table 3.	Demand Response Peer Selection	34
Table 4.	Fixed Route Key Metrics.....	35
Table 5.	Demand Response Key Metrics	35
Table 6.	Initial Transit Alternatives.....	38
Table 7.	Alternative Evaluation	47
Table 8.	Cost Allocation Estimates – Operating and Capital Costs	50
Table 9.	Summary of Peer Analysis for Fares Charged by Surrounding Transit Systems.....	50
Table 10.	Local Source Transit Funding Alternatives.....	52
Table 11.	Cost Estimates by Operating Concept	63

Chapter 1. Introduction

COMMUNITY PROFILE

Hobart, Indiana is nestled in the northwest corner of Lake County to the east of the Chicago metropolitan area. One of Lake County's oldest communities, Hobart was incorporated as a town in 1893 and as a city in 1923. Since its incorporation, the community has grown sevenfold from a residential population of approximately 3,450 to nearly 29,000.

Originally the location of a successful gristmill and brickmaking industry, the character and development patterns of the community have evolved with economic shifts and land annexation from Hobart Township in 1988 to the north and Ross Township in 1992 to the south along the U.S. 30 corridor and the Southlake Mall commercial area. These annexations strengthened the city's potential for continued residential, commercial, and light industrial development, and continue to make Hobart a key player in the growth and change of northwestern Indiana. Figure 1 shows the residential population density of Hobart and its neighboring communities in northwestern Indiana and eastern Illinois.

DOCUMENT ORGANIZATION

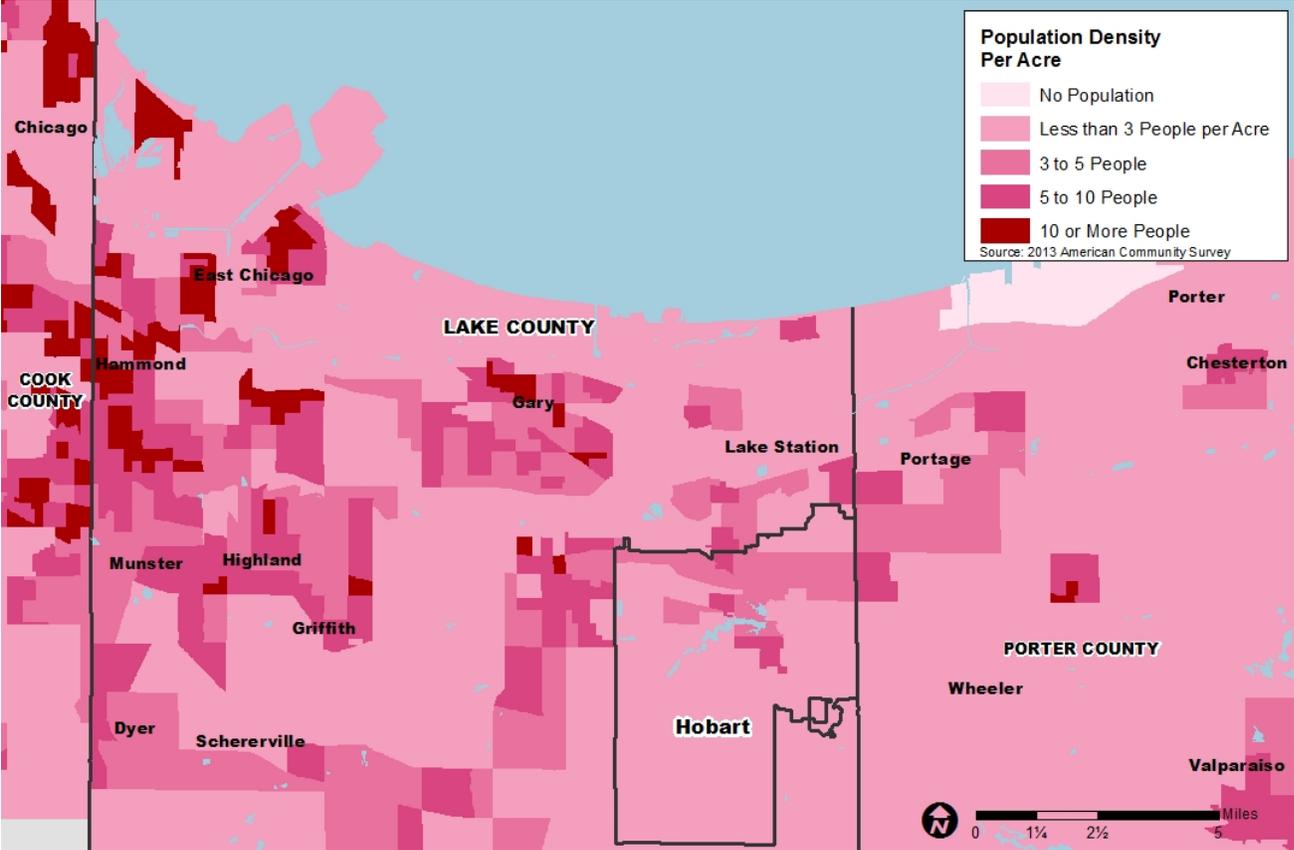
This report has three chapters in addition to the introduction. In an effort to comprehensively understand the need and support for local transit service in Hobart, the next chapter examines several elements of the community context, including existing transit providers, job and residential densities, other key demographic indicators, important destinations in Hobart, and travel patterns. This chapter of the study also integrates the feedback received through the community survey distributed in October and November 2015. Chapter 3 explains the different transit service options examined in Hobart as part of the feasibility study. Chapter 4 provides the financial analysis for the Advisory Committee's recommended transit alternative. The final chapter, Conclusions, provides a plan for advancing the alternate concepts addressed through the study.

Information included in this report serves to document each of the steps addressed in the study process and highlights the key elements to be considered by the Northwest Indiana Regional Planning Commission (NIRPC) and the Indiana Department of Transportation (INDOT) in determining eligibility for state funding from the Public Mass Transportation Fund (PMTF). Key inputs to the INDOT consideration are:

- Is there an identified need for public transportation and what is the potential demand?
- What is the most appropriate type of service based on area characteristics and need?.
- Who is the proposed provider?
- What are the anticipated capital and operating costs?
- Is the community committed to long-term support for the proposed transit concept?

Each of these key elements is incorporated in the Feasibility Study.

Figure 1. Population Density in Hobart and Surrounding Areas



Chapter 2. Transportation Needs Assessment

EXISTING TRANSIT SERVICE

Hobart is currently served by a demand response transit provider, South Lake County Community Services (SLCCS), which provides on-call service to anyone in the seven southern townships in Lake County. Hobart residents over the age of 55 are eligible for \$1 vouchers for SLCCS service, which operates between 8:30 a.m. to 3:30 p.m. Monday through Friday and requires passengers to schedule their trips 48 hours in advance.

While there is no fixed route service in Hobart, Gary Public Transit Corporation (GPTC) operates routes immediately adjacent Hobart and the ChicaGo Dash, operated by Valparaiso Transit, runs through Hobart between Valparaiso and downtown Chicago. The ChicaGo Dash is a weekday commuter service consisting of four morning and four afternoon trips from downtown Valparaiso to downtown Chicago. Other fixed route and demand response transit providers in the area include:

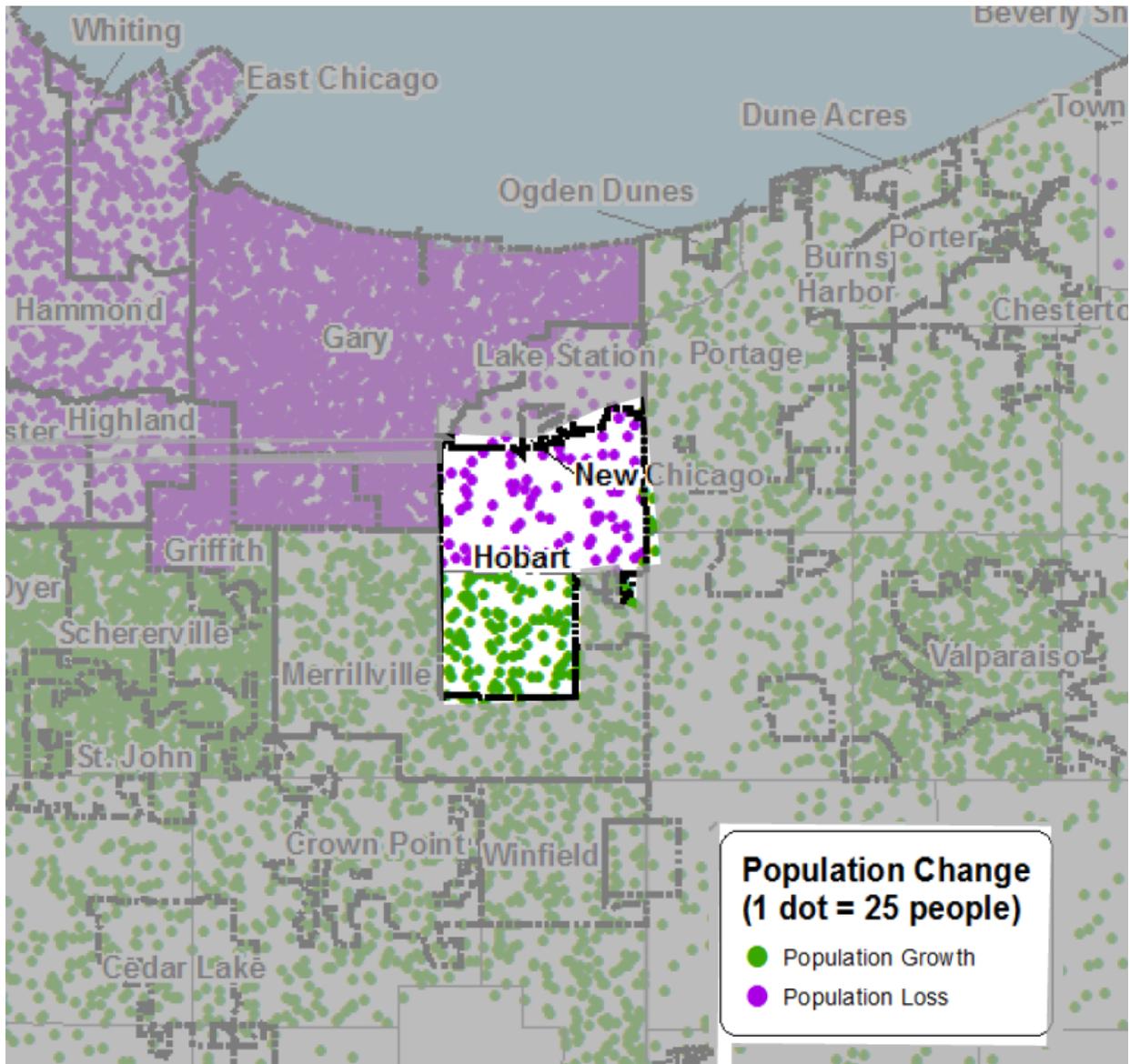
- Opportunity Enterprises (Valparaiso)
- East Chicago Public Transit
- North Township Dial A Ride
- City of LaPorte Transit
- Michigan City Transit
- City of Valparaiso V-Line
- NICTD South Shore Line (Commuter rail service to Chicago)
- Porter County Aging and Community Services

POPULATION AND EMPLOYMENT

The City of Hobart covers 26.2 square miles (approximately 16,800 acres) and in the 2010 census approximately 28,955 people lived in the city. The average population density of the community is 1.7 persons per acre. With an average household size of 2.5 persons (2010 census), the community has approximately 0.68 households per acre. Additionally, within the city limits are approximately 13,950 jobs, resulting in an employment density of 0.8 jobs per acre.

A look back at Hobart's historical population data reveals over the last 30 years a pattern of residential decentralization. Figure 2 displays changes in population in the period between 1980 and 2010, where northern areas of the community lost significant residential population. This area includes the downtown core and older residential developments that existed as part of Hobart prior to the 1980s and 1990s land annexation. Over the same 30-year period, the southern half of the community gained residential population, but in a much lower density pattern.

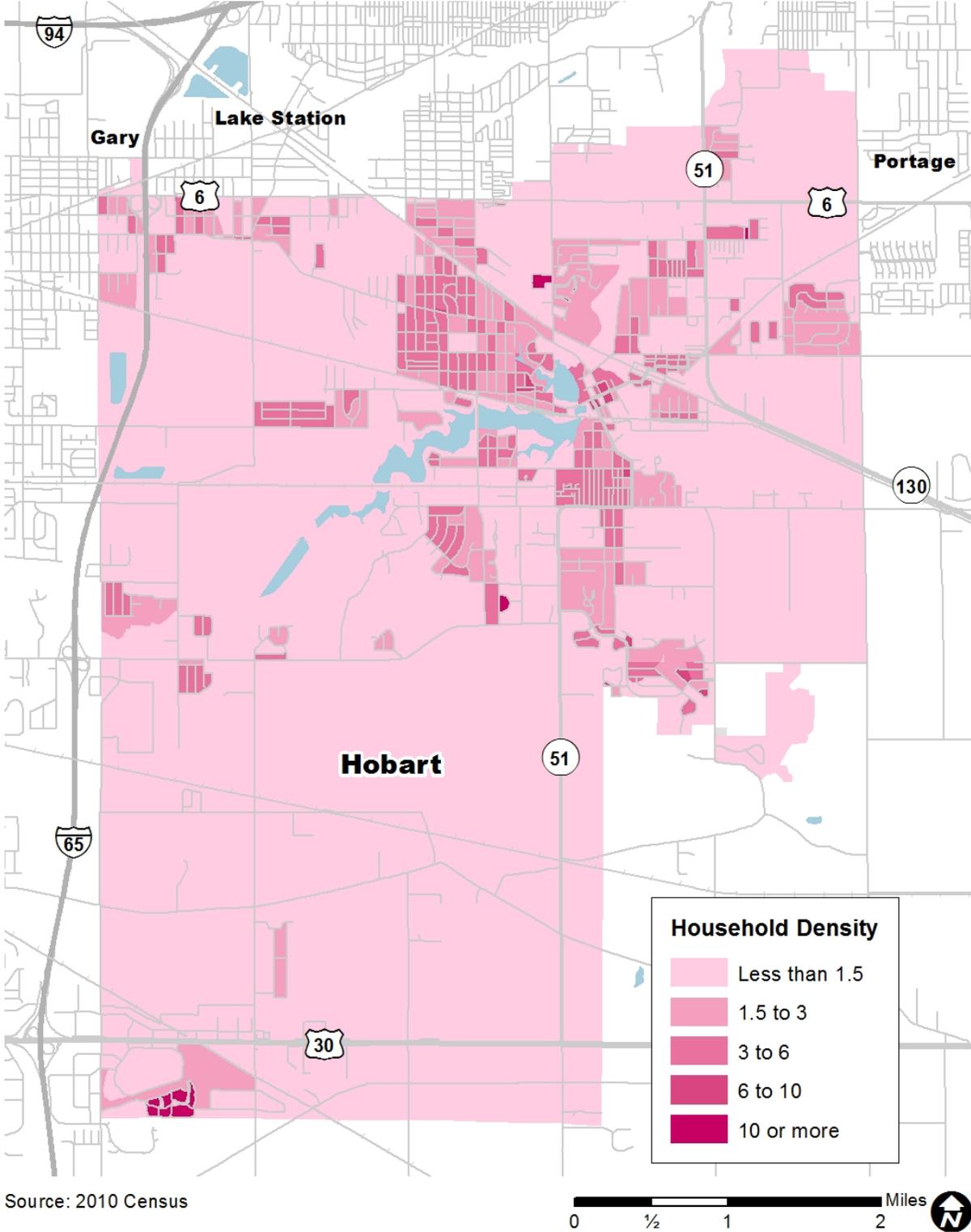
Figure 2. 1980 to 2010 Population Change in Northwestern Indiana



Source: City of Hobart Land Use Public Input Planning Session - June 2014

Figure 3 shows the current household population density of the community by Census Block. Areas with the highest density of households per acre are displayed in dark pink, and include areas surrounding Lake George near the downtown core, as well as the far southwestern corner of the city near US Highway 30.

Figure 3. Hobart Household Population Density



Development Density and Transit Supportive Areas

Figure 4 expands on the residential density depicted in Figure 3 and displays locations where a basic level of transit service could be supported by households or jobs based on density. These transit-supportive areas (TSAs) reflect residential density of at least three housing units per acre or locations where there are a minimum of four jobs per acre. TSAs displayed in light purple on Figure 4 indicate areas where either the household or employment density satisfies the thresholds. The darker purple indicates “mixed-use” areas where development densities exceed both the three housing units and four jobs per acre are thresholds. If expanded transit service is pursued in Hobart, locations within 1/4 mile of these TSAs provide a baseline of logical locations for the service to operate.

Transportation Disadvantaged Populations

Aging Population

The aging population of a community is a core component of a transit market, as these individuals may not be able to drive a vehicle and could benefit from increased mobility through fixed route or expanded transit service. Aging populations are commonly measured by those who are 65 years of age or older. This segment of the Hobart population is 14.4 percent of the overall population, which is higher than the same population group in Lake County (13.8 percent) and the State of Indiana (13.6 percent). The density per square mile of individuals 65 years or older is also displayed in Figure 5.

The greatest density of aging populations is located in the northwest area of the city. Medium-density areas for this segment of the population surround the downtown core in the northern half of the city.

Youth Population

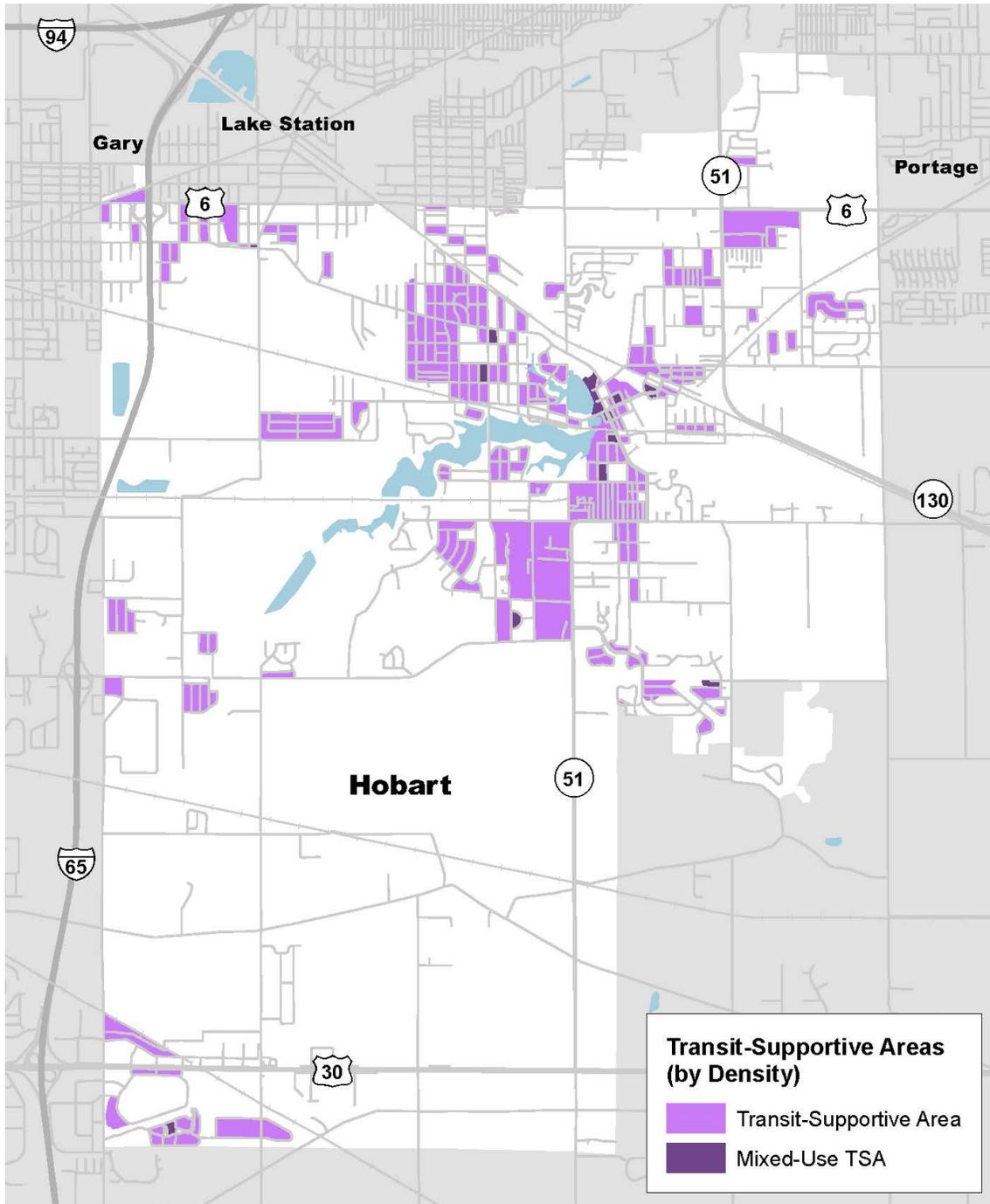
Similar to populations over 65, another important component of a potential transit market is the youth population in a community. These individuals also may not be able to drive a vehicle and may be dependent on carpooling and other forms of transportation.

The current population data segments population into ages 19 and younger, and this segment of the Hobart population is 23.7 percent of the overall population in Hobart, which is lower than Lake County (27.7 percent) and the State of Indiana (27.3 percent). The density of individuals 19 years or younger throughout Hobart is also displayed in Figure 6. Similar to populations over 65 years of age, the greatest density of youth population is in the northern half of the city in the areas northeast and northwest of Lake George.

Population with Limited Access to Automobiles

Household automobile ownership is also indicative of segments of a community that may benefit from expanded transit service and currently rely on other forms of transportation. The overall share of Hobart households with no vehicles is 5.1 percent. This share is lower than the overall share of households in Lake County with no vehicles (8.8 percent) and the State of Indiana (6.9 percent). Figure 7 displays the distribution of households throughout Hobart that do not own a vehicle. The highest concentrations of households with no vehicles are located in the northwestern area of the city adjacent to US Highway 6.

Figure 4. Transit Supportive Areas in Hobart



Note: Transit-supportive areas have at least 3 households OR 4 jobs per acre. Mixed-Use TSAs have at least 3 households AND 4 jobs per acre.
 Sources: 2012 LEHD, 2010 US Census



Figure 5. Population Density of Persons 65 Years of Age and Older

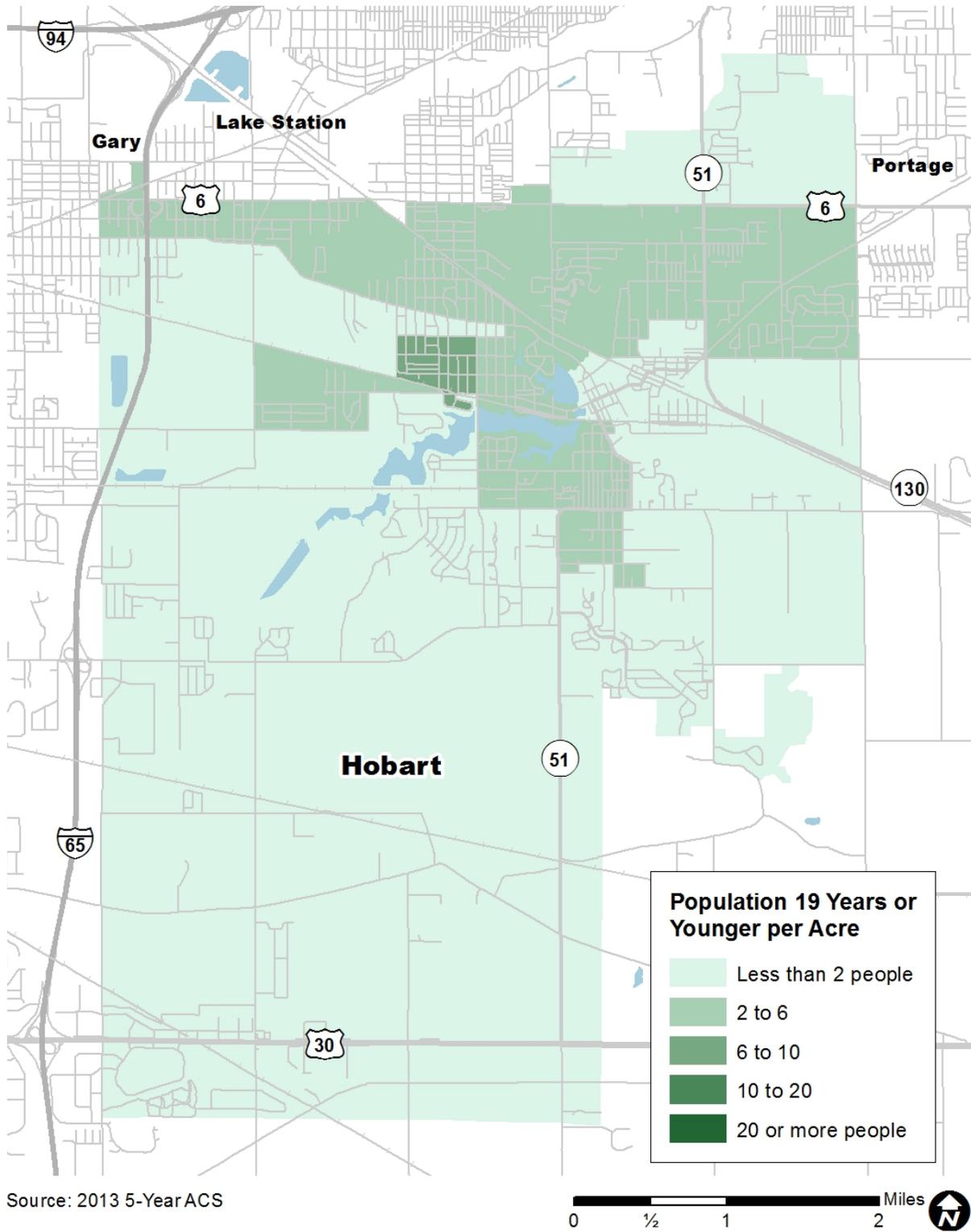


Figure 6. Population Density of Persons 19 Years of Age and Younger

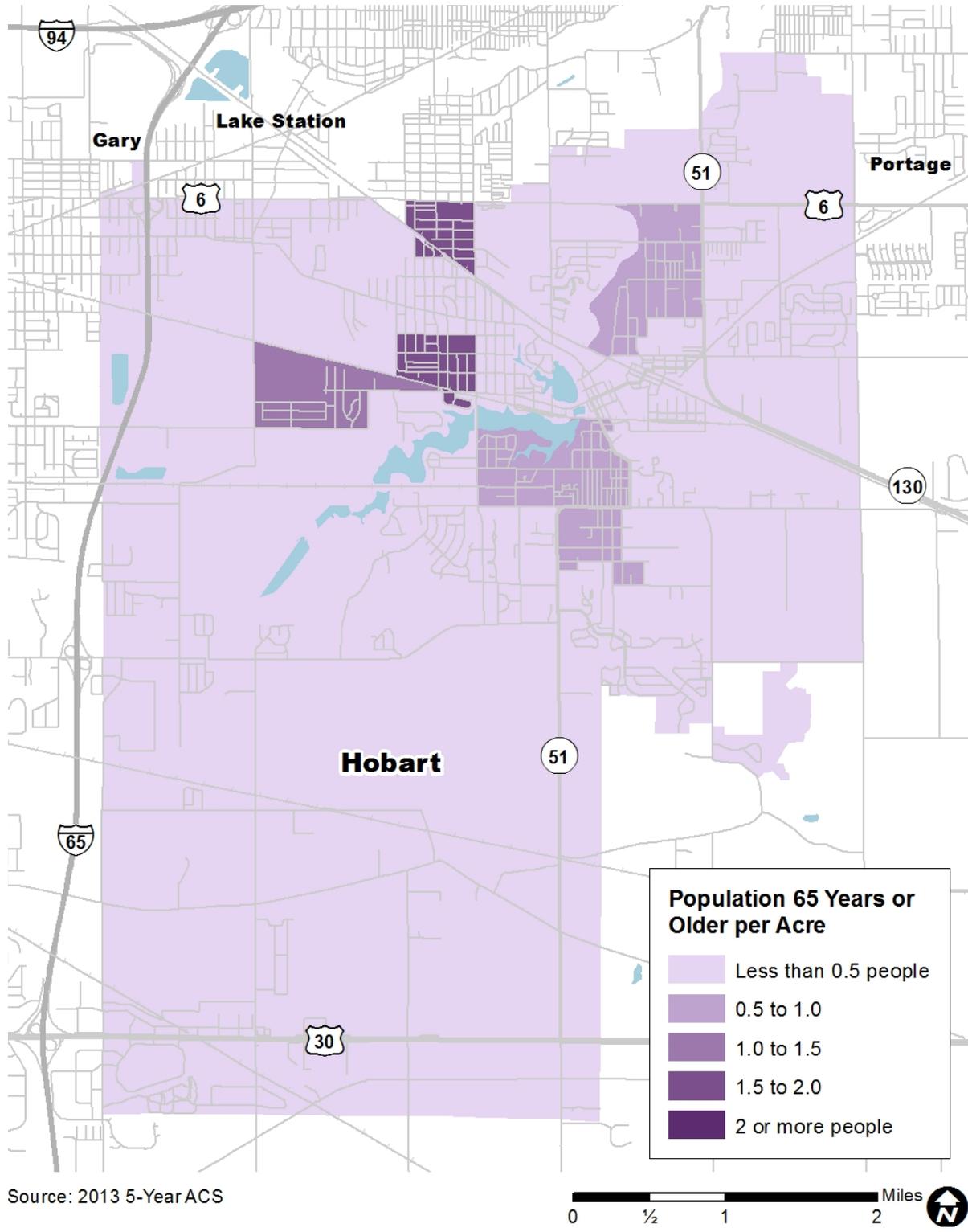
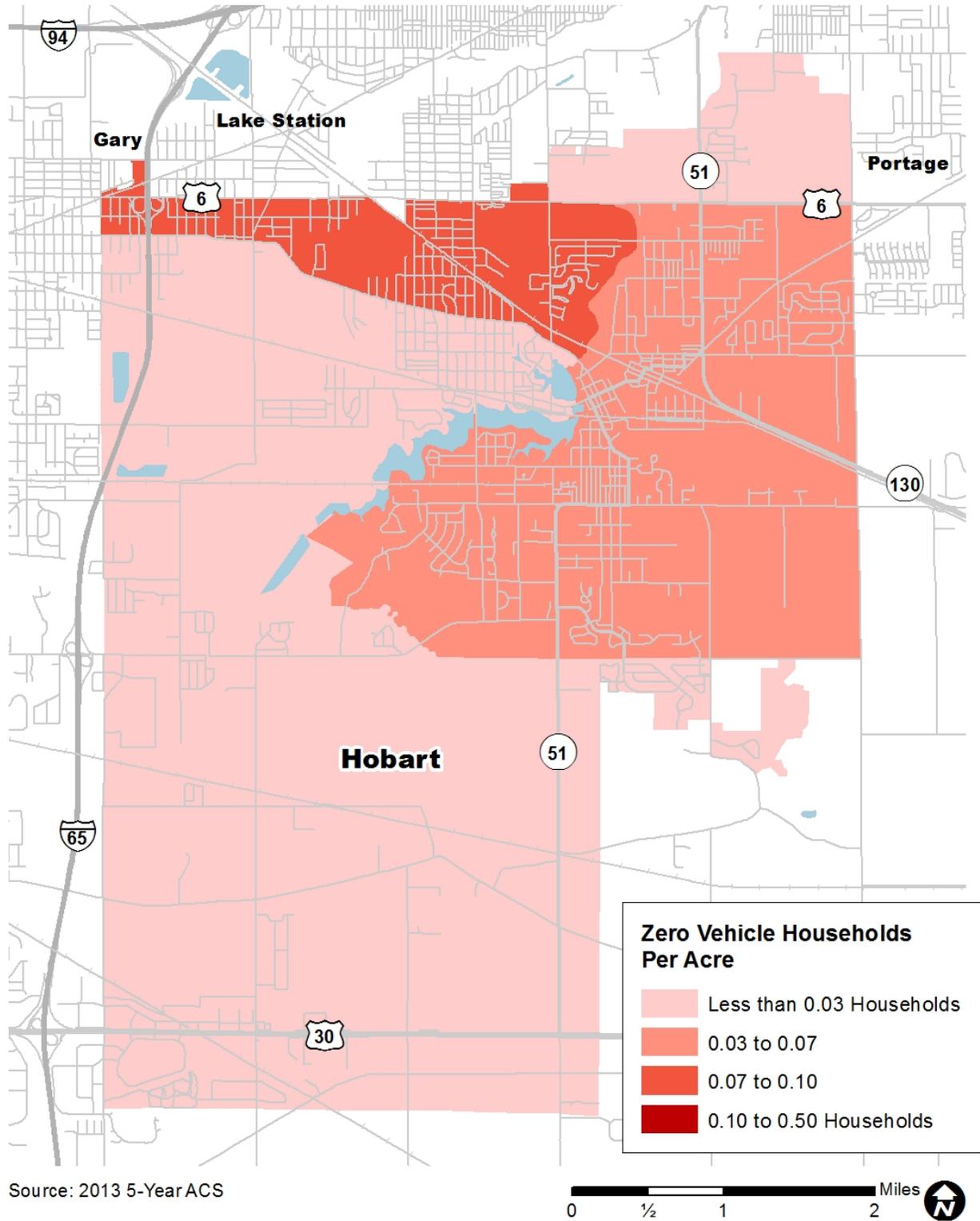


Figure 7. Density of Zero Vehicle Households



Low Income Population

Due to the relatively high costs associated with owning and maintaining personal vehicles, many people with a lower income are likely to use transit when it is available. Median household income for Hobart is \$55,840, and is displayed by Census Block Group in Figure 8. The city's median household income is higher than both Lake County (\$49,617) and the average for Indiana (\$48,737). As displayed in Figure 8, most of Hobart has a median annual household in the range of \$45,000 to \$75,000. The lower income areas are on the southwest, northeast, and northwest corners of the community, as well as along the southeastern shore of Lake George. The areas just north and southwest of Lake George have the highest median incomes, along with an area south of US 30 and an area in the northeastern area of Hobart.

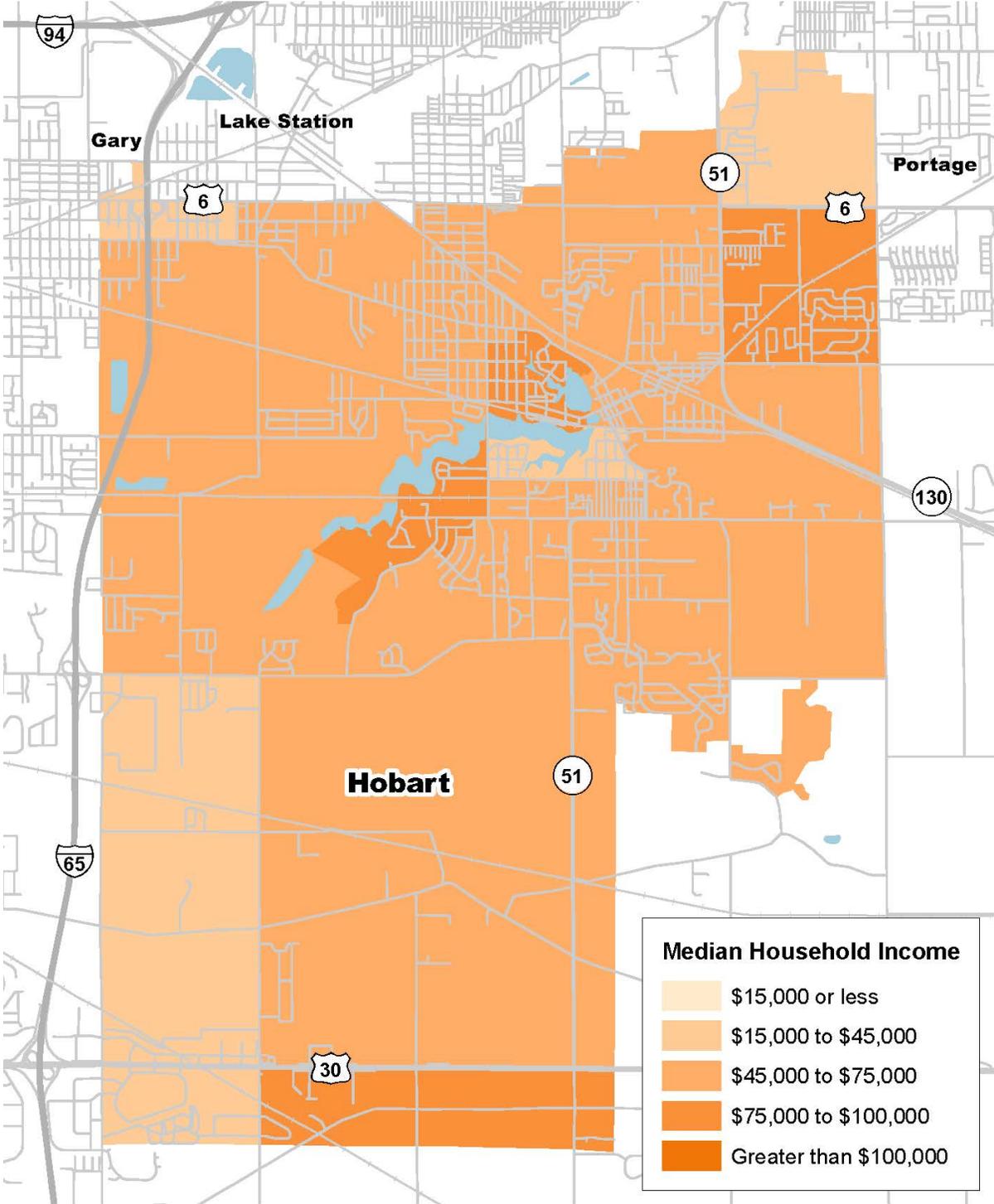
OUTREACH EFFORTS TO ASSESS NEED

While the community profile information can provide many of the general characteristics to verify needs in the community, gathering input from community leaders and the community at-large allows the opportunity to gain a better understanding of the priorities of the needs. The initial Advisory Committee and first public meeting were focused on discussing community needs that are not supported by the existing services available to residents and employees in Hobart. A key part of the conversation at each meeting was the community travel needs most critical to address through enhancing transit service. This step in the needs identification process was critical as there is not adequate funding available to address every identified need. Table 1 summarizes the combined list of needs and denotes those identified through both the Advisory Committee discussions and public meeting as the most important to address.

Table 1. Community Mobility Needs Supported by Expanded Transit Service

Identified Community Need/Gap	Priority Based on Input
Seniors - Transportation to Medical Appointments, Shopping, Social Visits	◆
Student Education (University, Technical College, K-12)	◆
South Shore Line Parking Areas	◆
Work Trips from Outside Hobart to Hobart	
Medical Trips (All Populations)	
Work Trips In/Around Hobart	
Events/Festival Travel	
Trips to Regional Retail Areas (US 30 and US 6 Corridors)	
After School Activities	

Figure 8. Median Household Income



Source: 2013 5-Year ACS



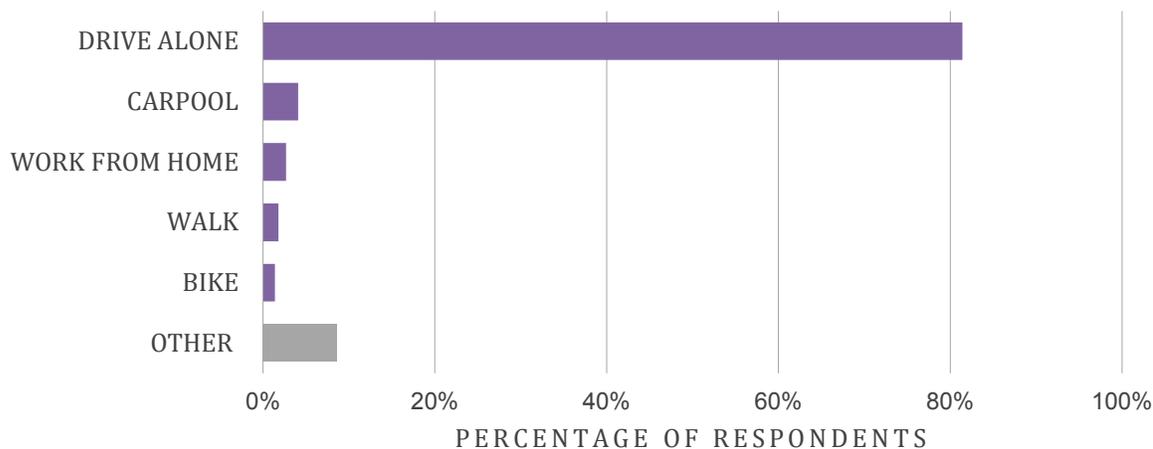
Community Survey

A key component of the project was to conduct a community survey to gather input on transit needs, opportunities, and limitations within the community. The survey was hosted online on Survey Monkey during October and November 2015. Participation in the survey was promoted at City's Halloween Trunk and Treat event, as well as on the city's Facebook site, webpage, and through the Hobart Stormwater News distributed to all utility customers. In addition to the on-line survey, paper surveys were also distributed at the Hobart Branch of the Lake County Public Library, the Maria Reiner Center, and on December 20, 2015 at the Southlake Mall. Through the range of alternatives 229 individuals responded to the online and paper surveys. The summary of the results addressed below do not incorporate phone survey responses.

Primary Mode of Transportation

The initial question of the survey focused on the survey user's primary mode of transportation. Participants in Hobart use a variety of means to get to and from work and other key destinations, but the majority drive alone (81 percent). Less than five percent of respondents reported either carpooling, walking, biking, or working from home as their primary mode of transportation to work and other destinations. Nine percent (19 people) use "Other" transportation options. Six people shared that they use the NICTD South Shore Line, and the remainder of responses included using the taxi service or receiving rides from friends. The primary methods of transportation are shown in Figure 9.

Figure 9. Survey Participants' Primary Mode of Transportation



Where People Live and Work

To better examine the transportation patterns of the people of Hobart and the surrounding region, respondents were asked to identify where they live and work based on a map of Hobart divided into four areas. Employment is a common trip purpose among transit users, and gaining a sense of these patterns can offer insight into future service design. A map of the areas and the respondents' commute origins and destinations is shown in Figure 10.

A majority of respondents live in Areas A and B, north of 61st Avenue (49 and 41 percent respectively). Less than five percent live in each of Area C and Area D (outside of Hobart), which is not surprising given the largely undeveloped nature of Areas C and D.

Within Hobart, Areas A and B also represent the areas with the greatest number of jobs. Area A has 24 percent of respondents' jobs, and Area B contains 18 percent of jobs, however, 38 percent of people report working outside of Hobart. Of those who work outside Hobart, 82 percent work in other parts of Indiana, 17 percent work in Illinois, and two percent work in Michigan.

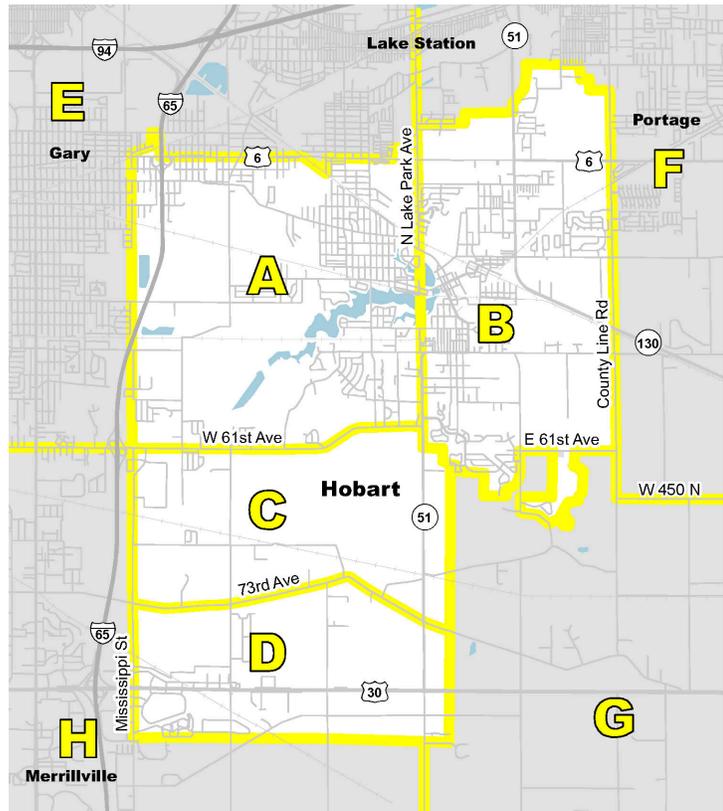
Additionally, a significant number of respondents (15 percent) work in Area D along the southern edge of the city. Only five percent work in Area C.

Willingness to Use Transit

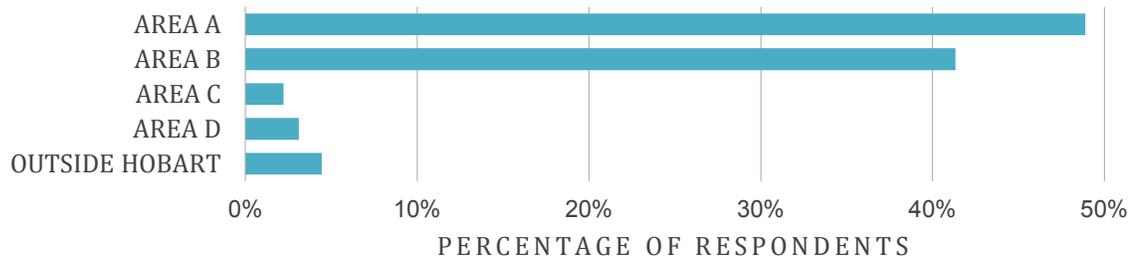
One determinant of transit feasibility in Hobart is whether or not people are interested in using the service. Responses to this question are shown in Figure 11.

Approximately 60 percent of respondents or members of their households would be interested in using transit if it were available in Hobart. Only 24 percent would be unwilling, and another 16 percent are unsure.

Figure 10. Places of Residence and Employment



PLACE OF RESIDENCE



PLACE OF WORK

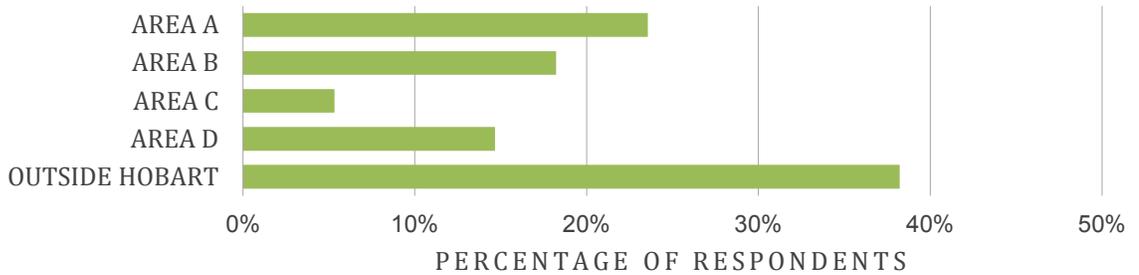
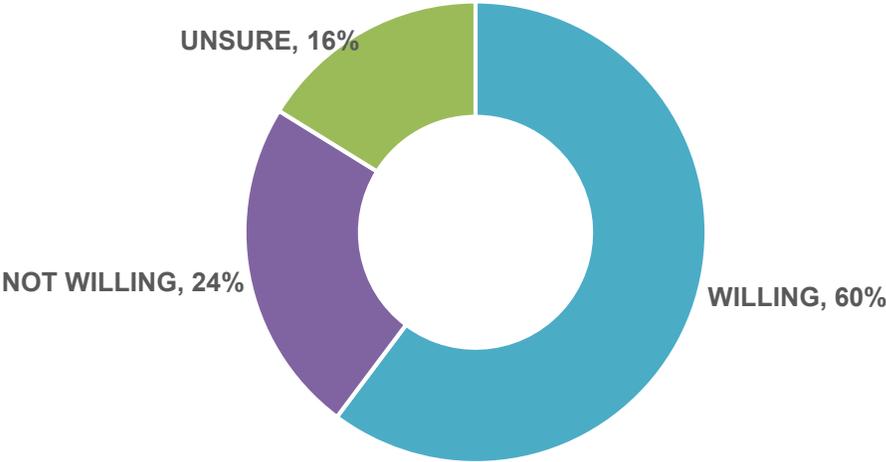


Figure 11. Willingness to Use Transit

WOULD YOU OR ANOTHER MEMBER OF YOUR HOUSEHOLD CONSIDER USING TRANSIT IF IT WERE AVAILABLE IN HOBART?



Types of Trips

Survey participants were asked about which types of trips they would be willing to make via transit. Interest in a variety of trip purposes are ranked in Figure 12. A score of six represents the greatest level of interest, and one is the lowest level.

Figure 12. Trip Purpose and Interest in Transit

PLACE IN ORDER FROM MOST (6) TO LEAST (1) HOW IMPORTANT TO YOU IS HAVING THE ABILITY TO USE TRANSIT TO MAKE THE LISTED TRIP.



The trip purpose receiving the greatest level of interest is recreation/events/festivals, followed by shopping, medical, and educational trips. People are less interested in using transit for work trips. Among those who

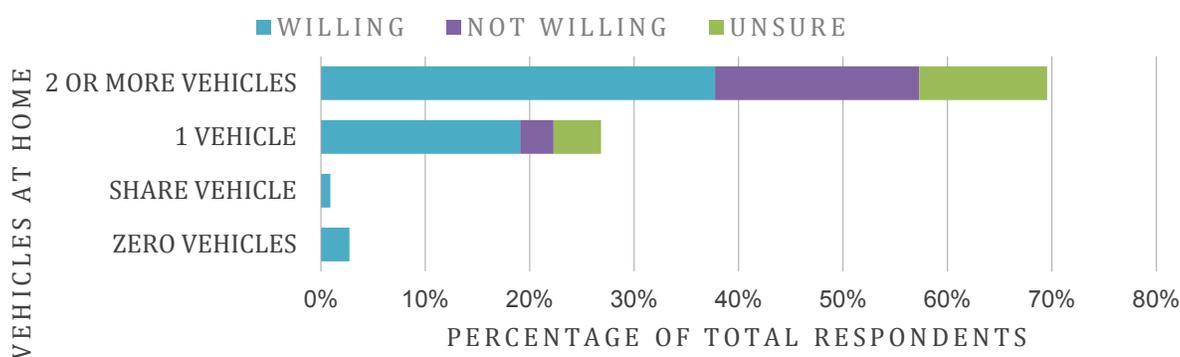
provided purposes in the “Other” category, many include visiting friends and family or accessing Lake Michigan and other out-of-town destinations. Some respondents used the “Other” blank to register their opinion that they do not want Hobart to offer any new transit service.

Vehicle Access

A majority (70 percent) of respondents report having access to two or more vehicles in their household. Another 27 percent have access to one vehicle, while only one percent share a vehicle between households, and 3 percent have no access to vehicles. A summary of transit interest and vehicle ownership is shown in Figure 13.

The likelihood of people being interested in transit corresponds to vehicle access. Lower access to vehicles indicates a higher propensity to use transit. Slightly over half (54 percent) of households with two or more vehicles still report a willingness to use transit. The proportion of people with access to one vehicle is uninterested in or unsure about transit is small, and no people from households that share vehicles or with zero vehicles is uninterested in transit.

Figure 13. Willingness to Use Transit by Vehicle Access

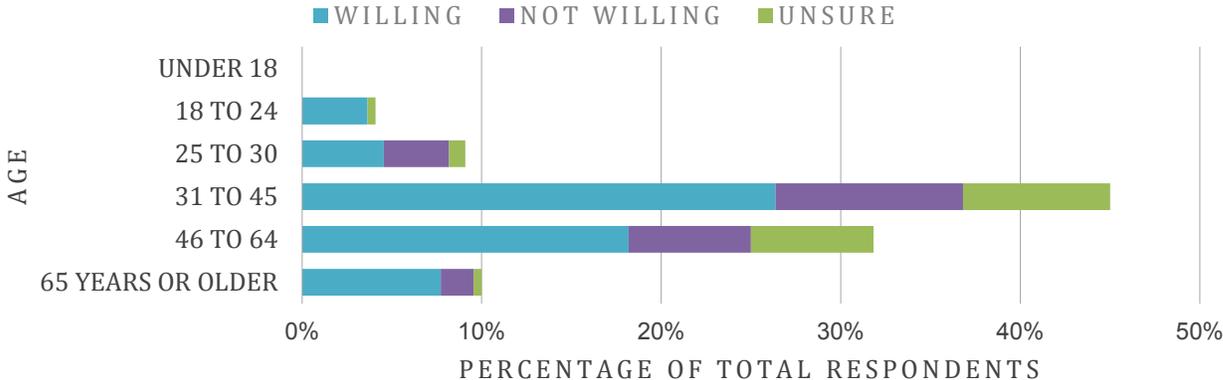


Age

Willingness to use transit varies by age cohort, and frequently younger and older people have a stronger interest in using transit service. The age groups with the greatest number of responses to the survey were 31-to-45 year olds (45 percent) and 46-to-64 year olds (32 percent). Ten percent of respondents were 65 years or older, and four percent of respondents were between 18 and 24 years old. No respondents were under 18.

Of those between 18 and 24 years old, 89 percent are willing to use transit. Of those 65 or older, 77 percent are interested. The remaining three age cohorts vary between 50 and 57 percent in willingness to use transit. In the 25-to-30 cohort, 40 percent are uninterested in transit, while only between 18 and 23 percent of the other three represented cohorts are uninterested. Willingness to use transit by age is shown in Figure 14.

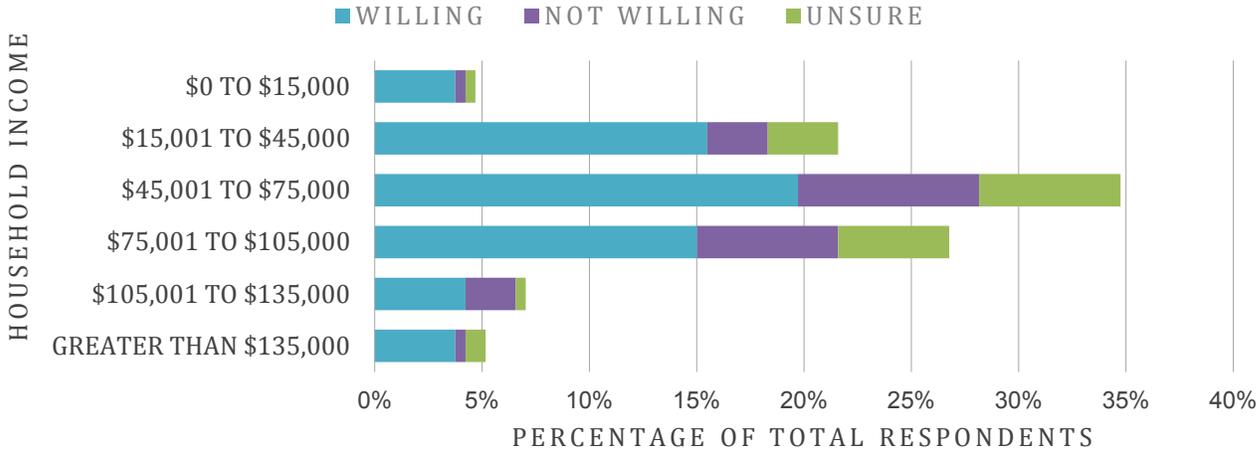
Figure 14. Willingness to Use Transit by Age



Income

A similar analysis was performed related to the income of survey participants and their willingness to use transit, as shown in Figure 15. At least half of the respondents in each income level are willing to use transit, with the highest and lowest income household most interested. The levels of income with the greatest number of people uninterested in using transit are the \$45,001-to-\$75,000, \$75,001-to-105,000, and \$105,001-to-\$135,000 cohorts.

Figure 15. Willingness to Use Transit by Annual Household Income

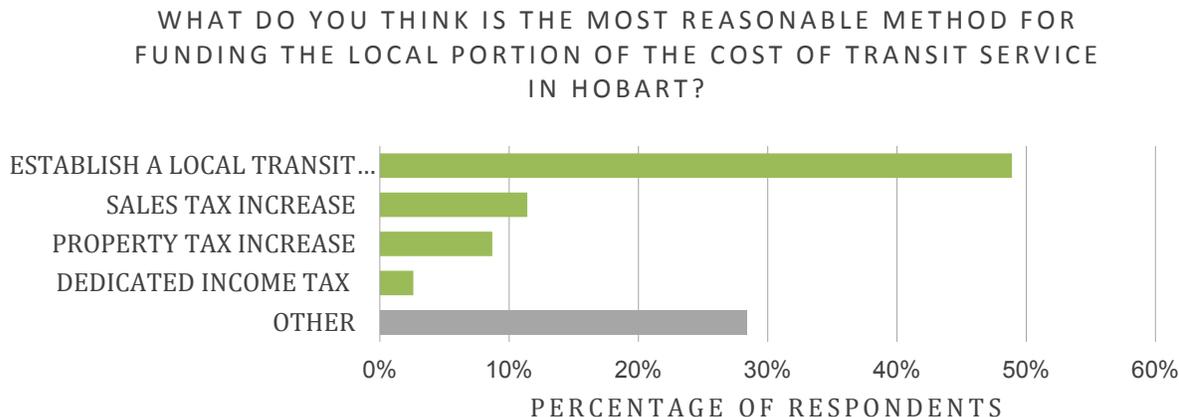


Paying for Transit

Survey participants were asked which methods of locally funding transit were most appealing. The mechanism receiving the most support is a local transit fee, similar to the existing sewer or garbage collection fees, with 49 percent support. The next highest listed mechanism is sales tax (11 percent), followed by property tax (9 percent), and income tax (3 percent). Twenty-eight percent of respondents

chose “Other.” A summary of responses is shown in Figure 16.

Figure 16. Transit Funding Preferences



Additional Comments

Many of the survey questions invited participants to write in or provide open ended responses to questions. These include key transit destinations, trip purposes, funding mechanisms, etc. A summary of these responses is attached in Appendix A.

TRAVEL GENERATORS AND PATTERNS

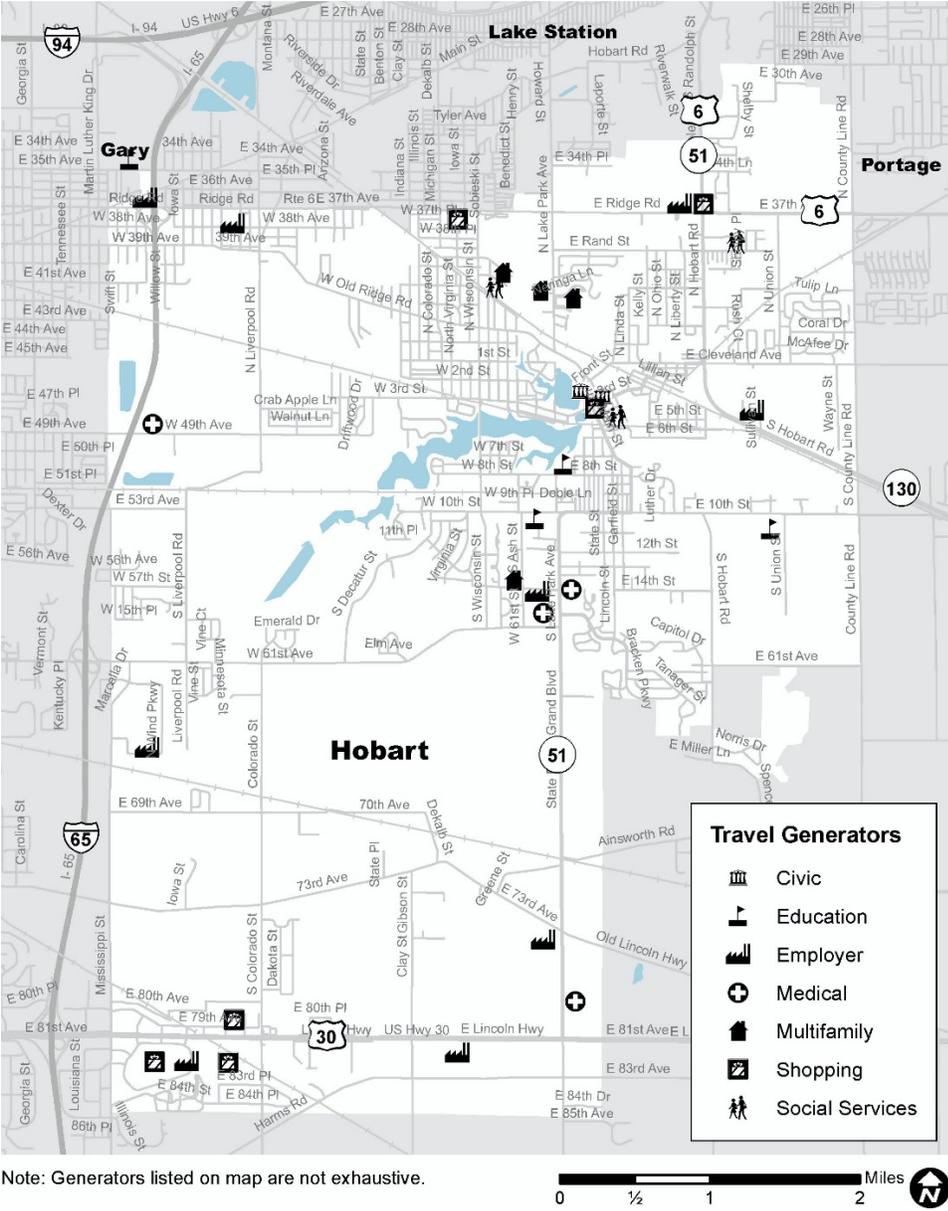
In addition to the community characteristics previously assessed, it is also helpful to look more closely at specific locations with the greatest potential to generate trips, especially for people using transit. Seven categories were examined: civic institutions, educational facilities, major employers, medical facilities, multifamily/dense housing, shopping areas, and social service providers. Figure 17 shows the locations of many of these travel generators.

Generators are distributed in nodes or clusters across much of the city. In the northeast, at the intersection of US 6 and State Road 51, there is a commercial area with a variety of shopping options, a grocery store that is one of the city’s major employers, and the Lake County Hobart Division of Family Resources. There is a cluster of large employers in the northwest corner of Hobart, as well as a community college just outside of the city limits in City of Gary.

In the north central part of Hobart, off of North Lake Park Drive, there are several larger multifamily housing developments and a YMCA. Downtown, just to the east of Lake George, there is a mix of civic institutions, shopping, and social services, including the Maria Reiner Center, a popular destination for seniors.

Further south, a grouping of medical facilities and multifamily housing surrounds Saint Mary’s Medical Center near State Road 51 and 61st Avenue. A retail area including Southlake Mall, Walmart, Target, and Costco is located in the southwestern corner of Hobart. Additional commercial development and medical facilities lie just south of the city limits in the City of Merrillville.

Figure 17. Hobart Key Travel Generators



Note: Generators listed on map are not exhaustive.

NIRPC Regional Travel Model

Transit service will need to serve people’s existing or desired travel patterns. One way to examine the origins and destinations of people’s trips is to use the data from a regional travel model. The model takes into account where people live, work, shop, or travel for other purposes. It also considers the distance between these locations and available travel paths to estimate the origins and destinations of trips.

A travel pattern analysis was performed using data provided by NIRPC from the regional travel model. The analysis is based on transportation analysis zones (TAZs), which are areas whose demographic and economic features form the inputs of the model. The borders TAZs, seen in red in Figure 18-Figure 21, do

not always align with the boundaries of municipalities. For the purposes of this study, any TAZ with a portion inside the Hobart city limits was considered part of Hobart and included in the intracity analysis.

GIS analysis was performed at the city and regional levels to help visualize the model outputs. Trips shown in the following figures reflect both directions of travel between analysis zones. At the regional level, TAZs were aggregated to focus on the general direction of travel for intercity trips and to understand the ratio of intracity trips to intercity trips.

Trips were divided by purpose: home-based work (HBW) trips, home-based other/shopping (HBO/S), or non-home-based (NHB). The intracity trip modeling results are most relevant to this study and its focus on the feasibility of transit service within Hobart.

Intracity Trips – Home-Based Work

Figure 18 displays the daily home-based work trips for 2015. Of the trip purposes examined, HBW represents the lowest volume. An interconnected group of TAZs with generating a relatively large number of trips is located in the northeast quadrant of Hobart. This higher-HBW-traffic area contains TAZs 213, 215, 230, 231 (downtown), 232, 234 (St. Mary Medical Center), and 241. These TAZ's represent the most heavily developed portions of Hobart. There is also a second "higher-traffic" pairing between TAZ 247 and TAZ 252 in the southwest corner of the Hobart. These TAZs include Southlake Mall and other retail and commercial establishments.

Intracity Trips – Home-Based Other/Shopping

Home based trips for shopping or other non-work purposes are shown in Figure 19. The greater trip generation rates follow the HBW pattern of concentrating in the northeast and southwest portions of Hobart, but the areas more heavily involved in HBO/S trips is not as confined to the core areas of the city with the highest development densities. The largely residential TAZs 229 and 235 are more connected to downtown. Additionally, there are greater ties between the highest generating TAZs in the north and south for HBO/S trips than for HBW trips.

Figure 18. Daily Intracity Trips: Home-Based Work

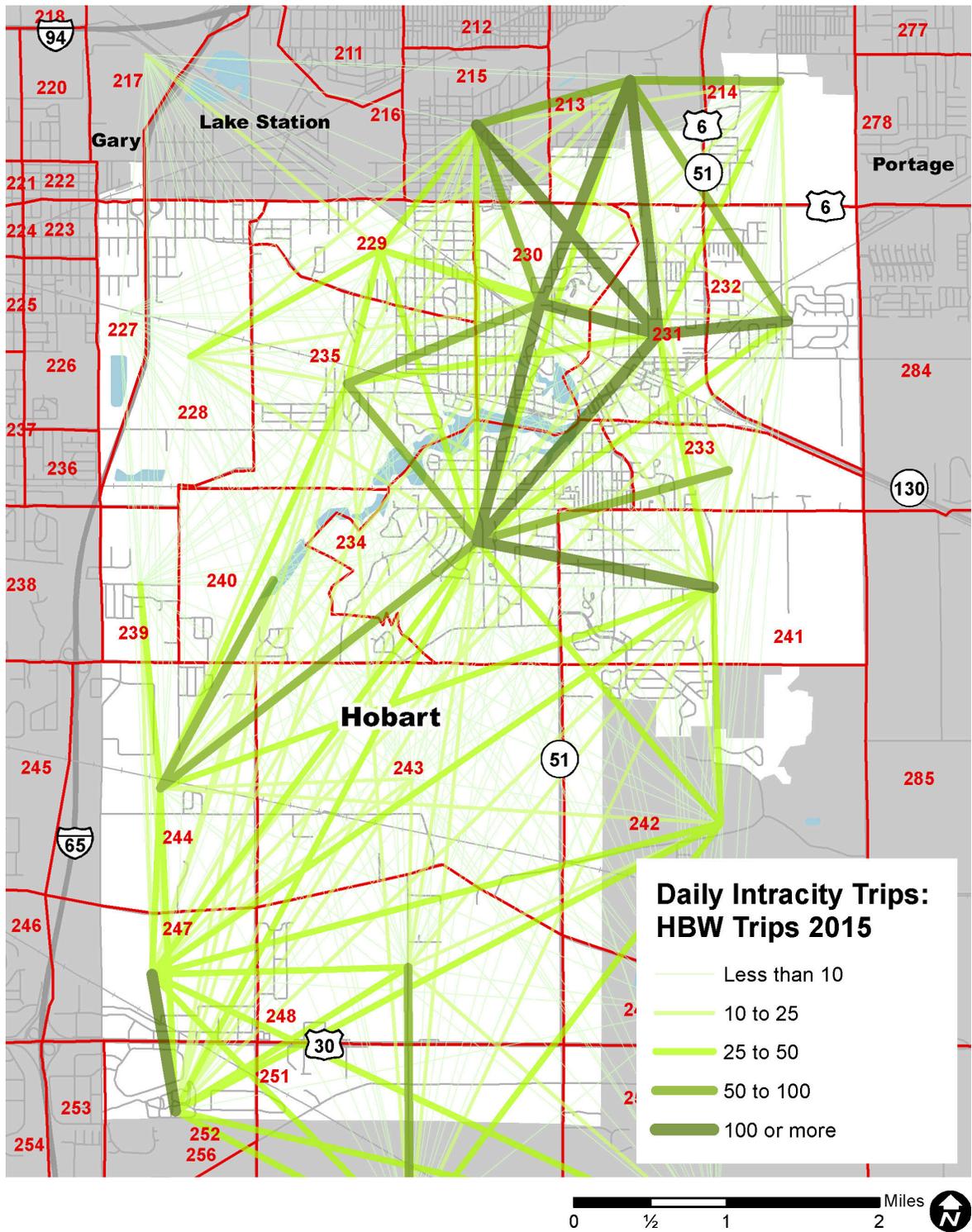
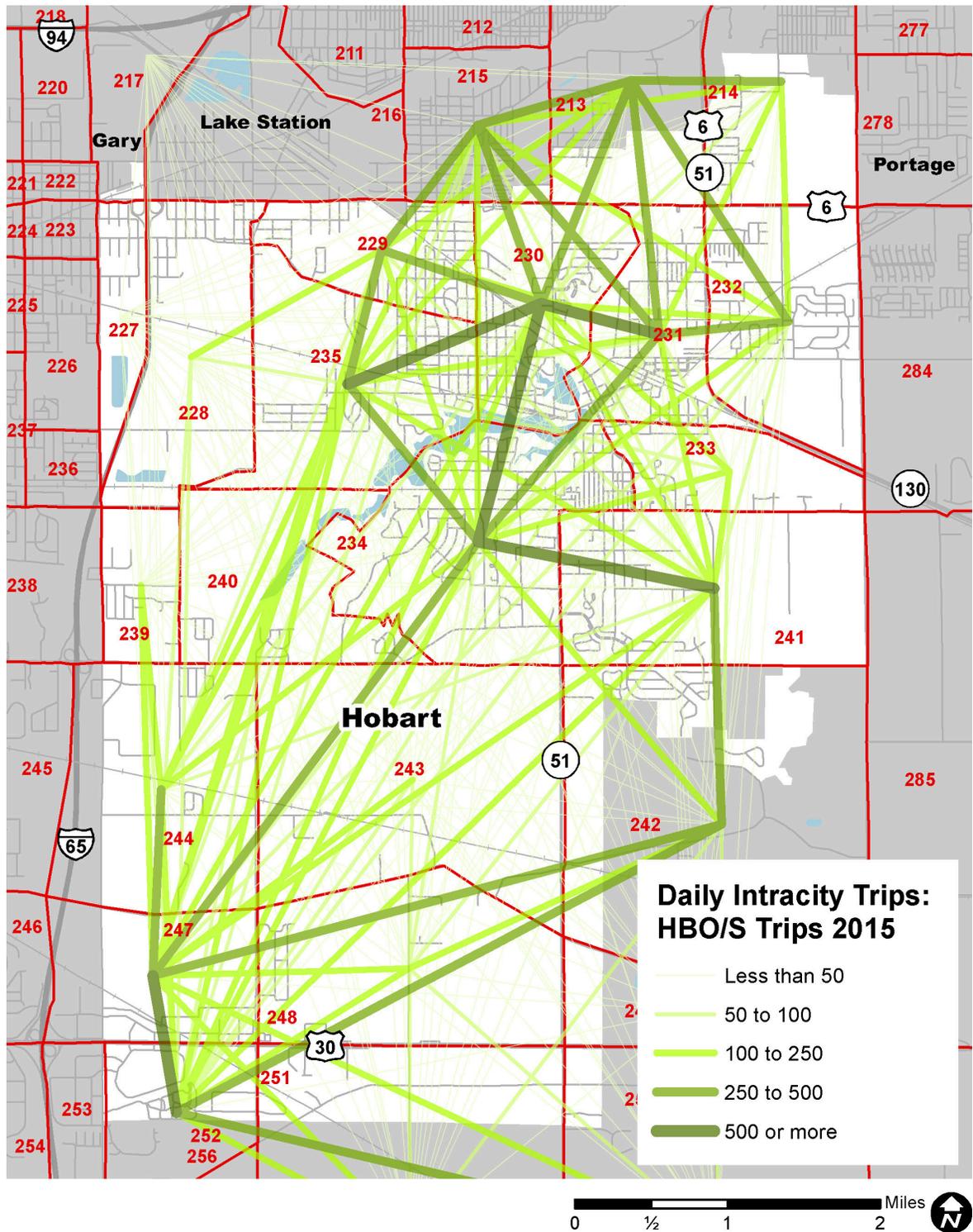


Figure 19. Daily Intracity Trips: Home-Based Other/Shopping



Intracity Trips – Non-Home-Based

Non-home-based trips within Hobart are shown in 0. The distribution of trips across the city varies

substantially from the HBW and HBO/S purposes. The largest concentration of NHB trips are located in the southwest corner of Hobart and includes TAZs 244, 247, 248, 251, and 252 (Southlake Mall). The retail and commercial nature of the development in these TAZs suggests that these trips include people stopping to shop or do other business while running other errands or on their way home from work. In the northeast portion of the city, the strongest trip-generating TAZ pair is between TAZs 213 (includes a grocery store) and 231 (downtown).

Combined Intracity Trips

All intracity trips are shown in Figure 21. Trip generation is concentrated in the northeast and southwest portions of the city with relatively little interaction between the two areas. The sparsely developed central portion of Hobart (TAZs 240 and 243) do not generate many trips and the space they take up seems to inhibit trips between potential origins and destinations on either side of them.

To understand how people travel from city-to-city in the Hobart area, travel patterns throughout the NIRPC region were also examined. The trips represented in Figure 22 through Figure 25 have their origin, destination, or both within a TAZ that is part of Hobart.

Regional Trips – Home-Based Work

As shown in Figure 22, the analysis zones with the highest number of daily HBW trips is Hobart, and the area to the southwest including Merrillville with 10,000 or more. There are additional HBW trips to the northeast to Portage, Burns Harbor, and La Porte; and there are few trips to the southeast, south, or northwest through Gary and toward Chicago.

Regional Trips – Home-Based Other/Shopping

HBS/O trips at a regional level are shown in Figure 23. Again, the highest level of trip generation is within Hobart, to the southwest, and to the northeast with 25,000 to 50,000 daily trips in each of those areas. There are fewer trips made to the south and northwest. Gary and the Valparaiso area see between 10,000 and 25,000 daily trips. Further to the northwest sees fewer than 5,000 daily trips.

Regional Trips – Non-Home-Based

NHB trips to/from Hobart in the region are shown in Figure 24. There are over 50,000 NHB intracity trips in Hobart. There are between 25,000 and 50,000 to/from the southwest and between 10,000 and 25,000 to the northeast. There are only 5,000 to 10,000 trips to/from Gary and fewer than 5,000 to/from the south, southeast, and the northwest corner of the region.

Figure 20. Daily Intracity Trips: Non-Home-Based

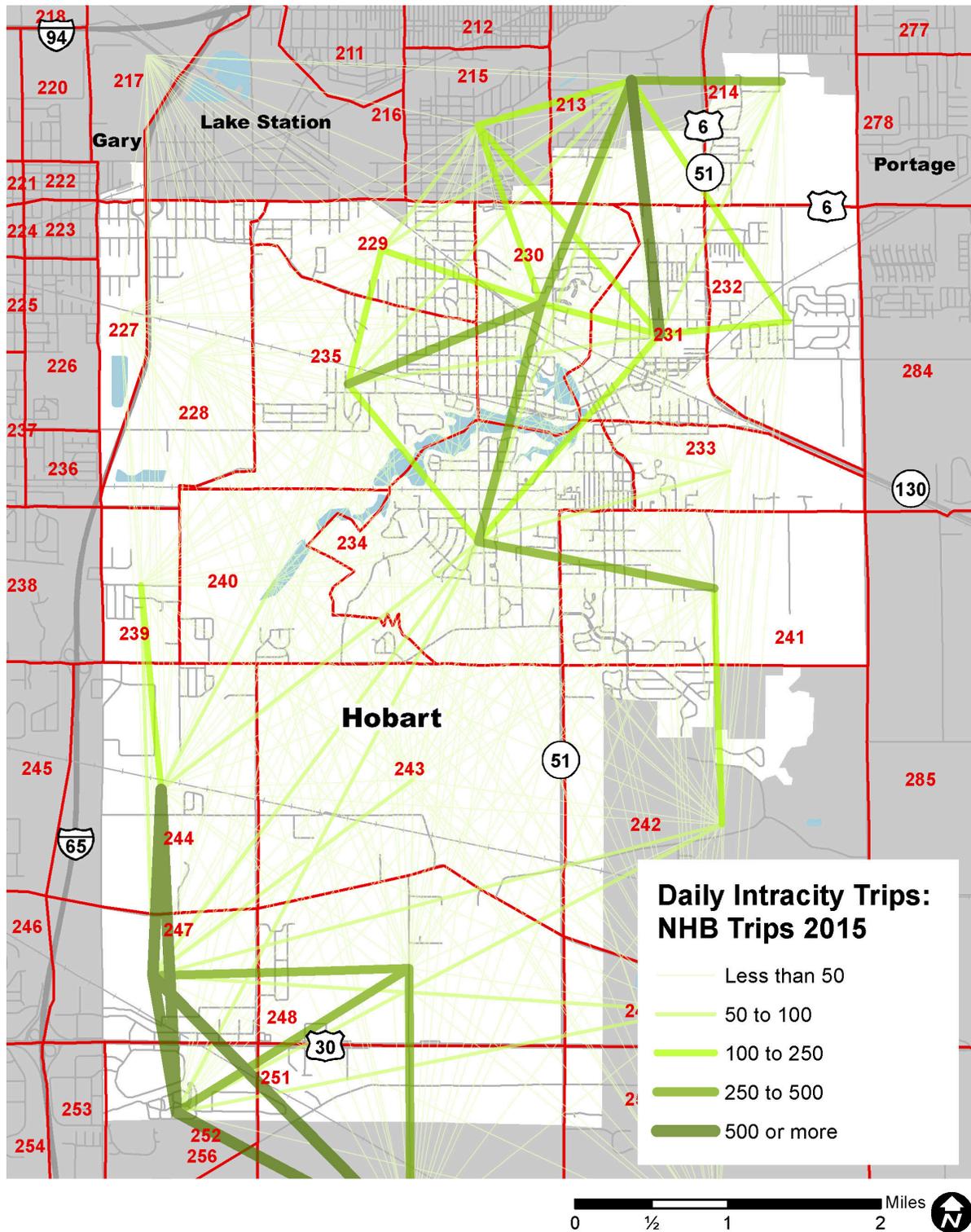


Figure 21. Daily Intracity Trips: All Trip Purposes

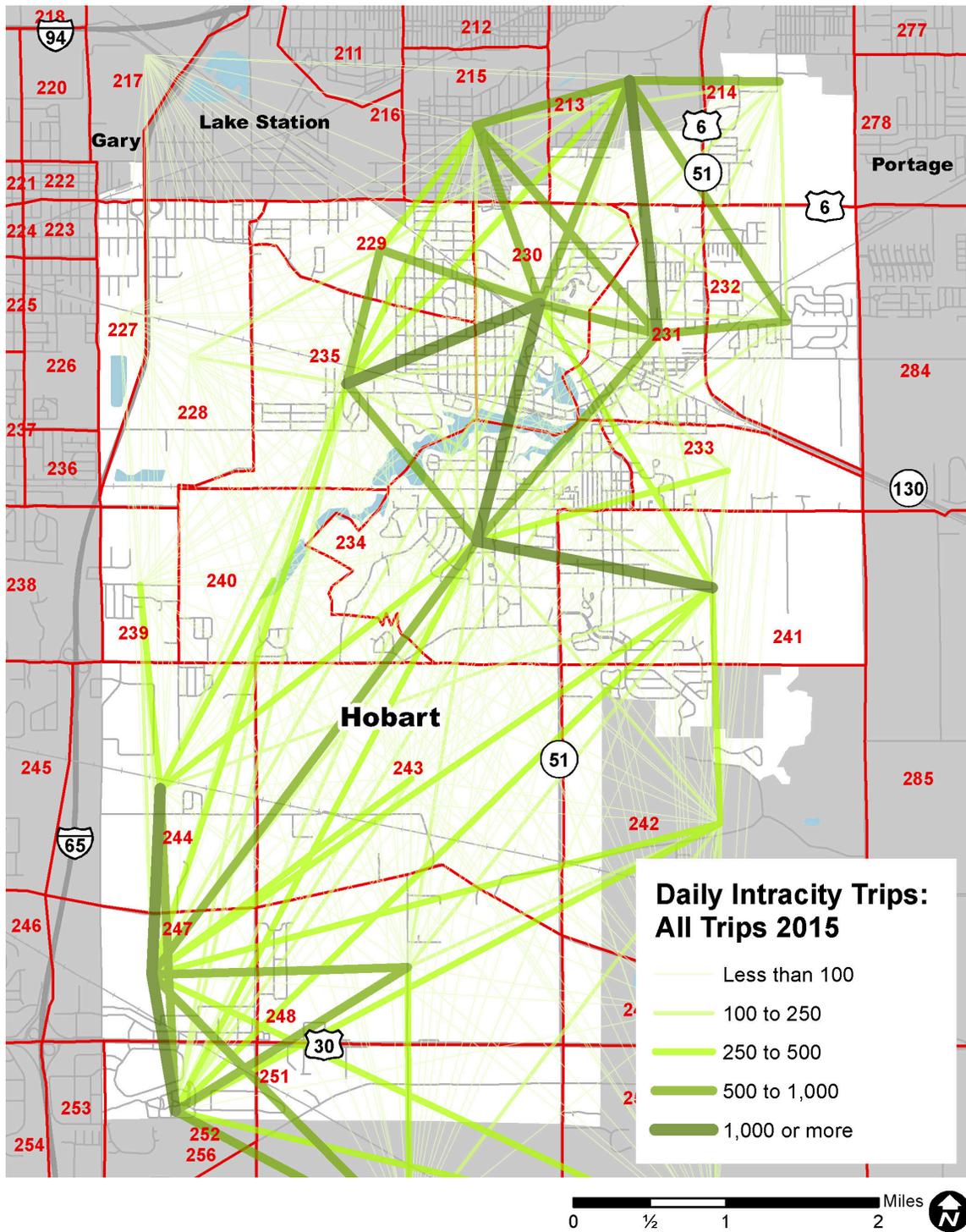


Figure 22. Daily Regional Trips: Home-Based Work

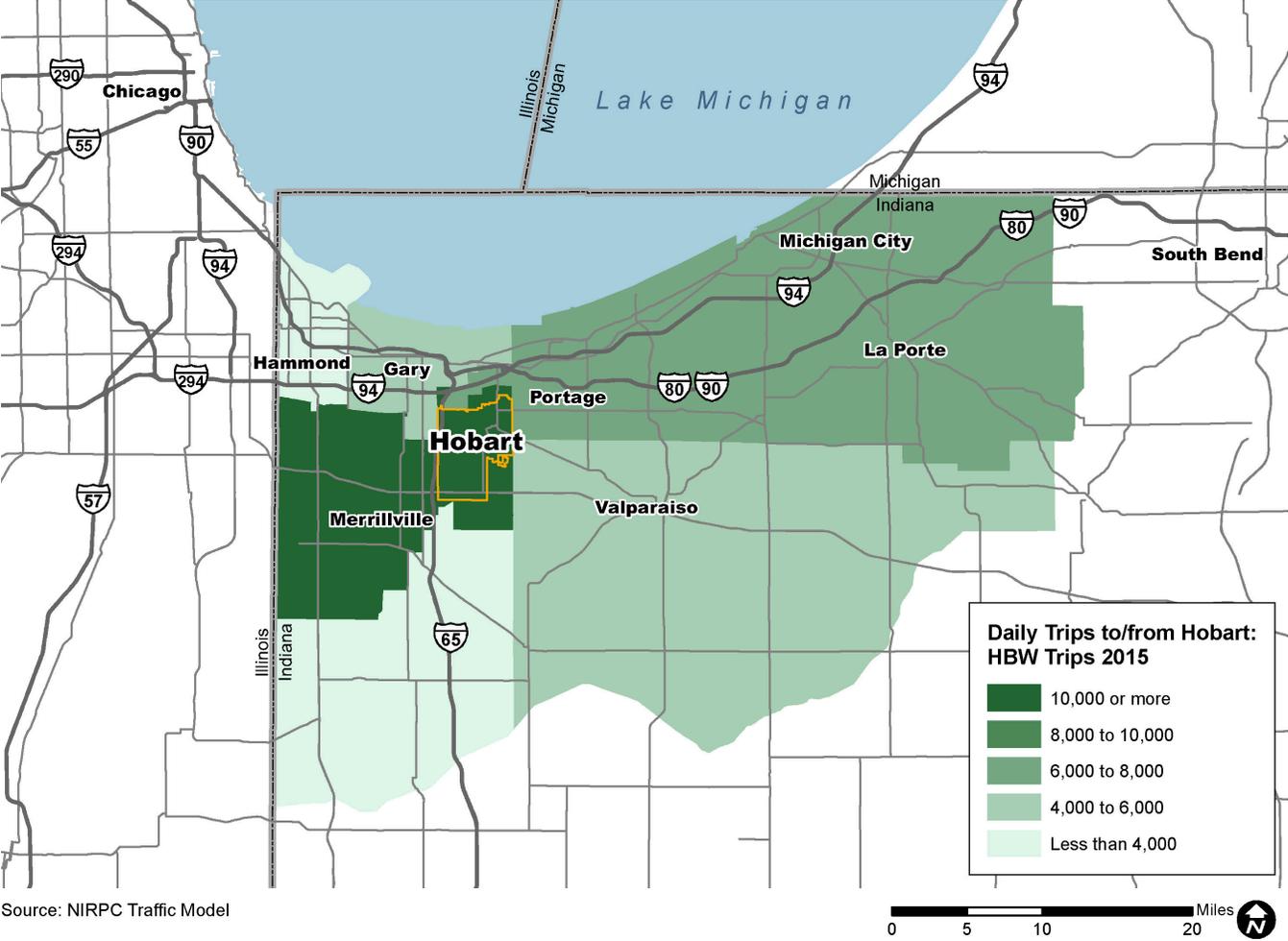


Figure 23. Daily Regional Trips: Home-Based Other/Shopping

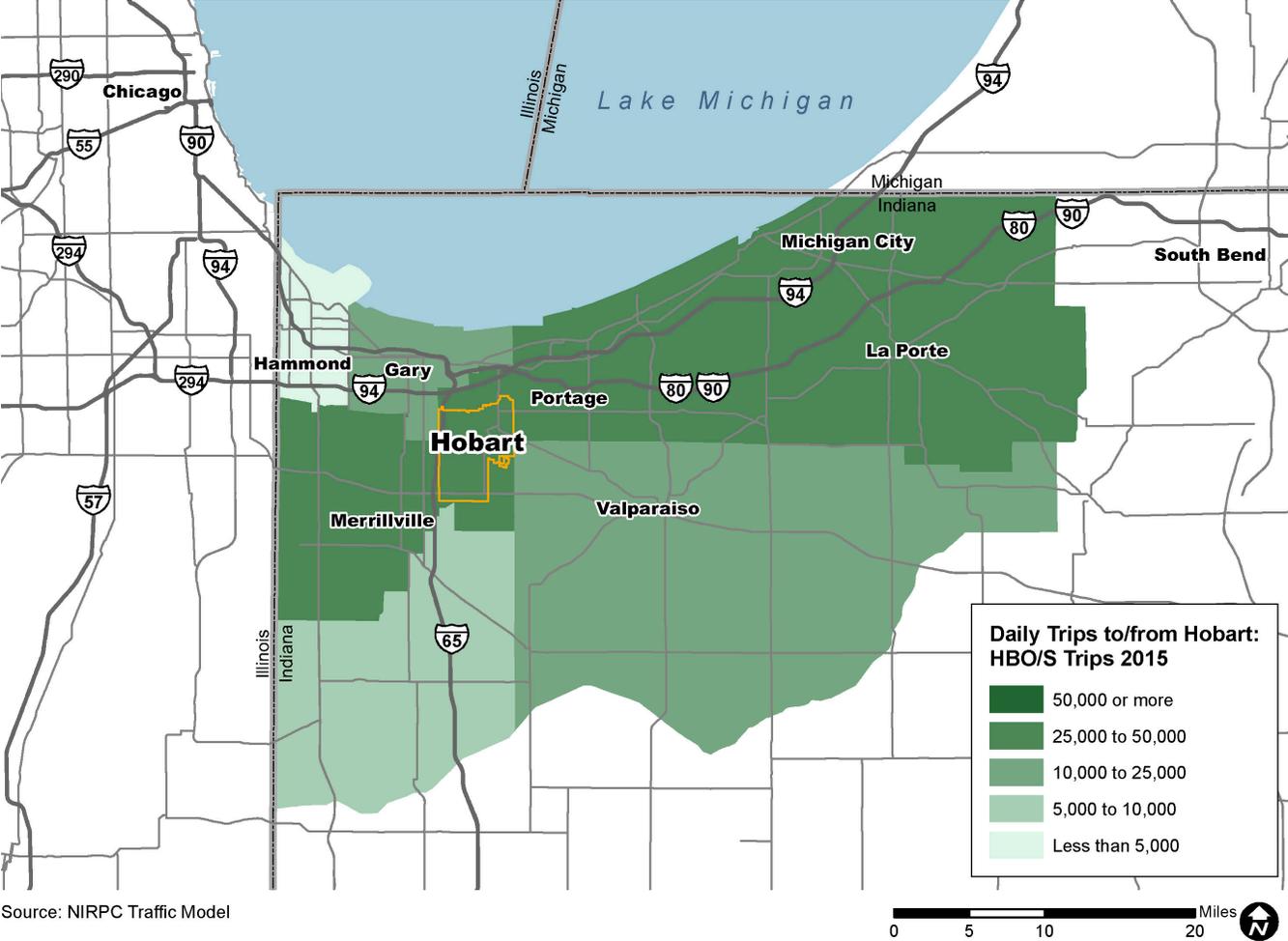
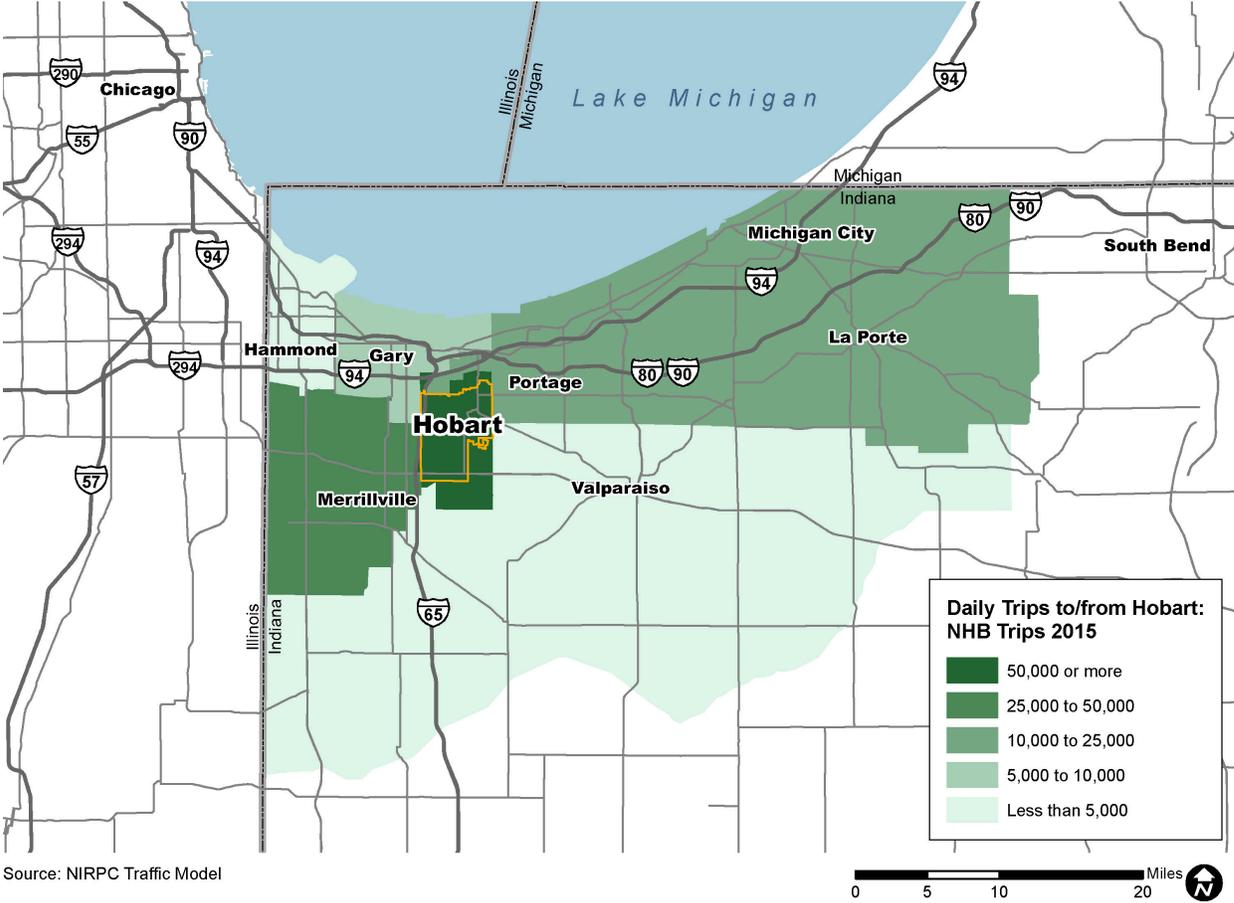


Figure 24. Daily Regional Trips: Non-Home-Based

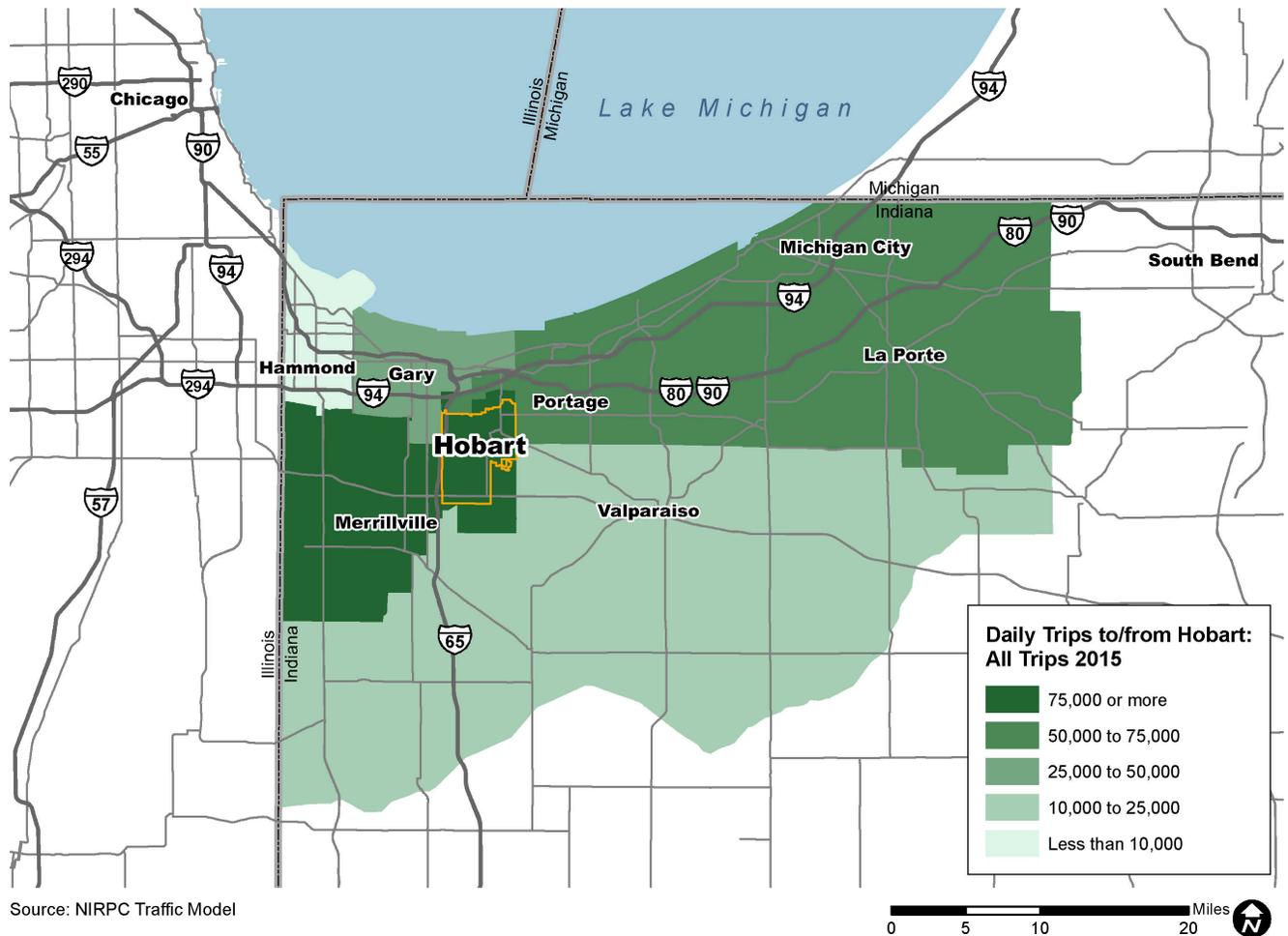


Source: NIRPC Traffic Model

Combined Regional Trips

All regional trips are shown in Figure 25. There is a strong connection between Hobart and the area to the southwest including Merrillville. There are over 75,000 daily trips between Hobart and that area. The higher density development near Southlake Mall in the southwest corner of Hobart is more contiguous to the development in Merrillville than to downtown Hobart. There are also between 50,000 and 75,000 daily trips between Hobart and the northeast. There are many industrial jobs and medical facilities in Portage and Burns Harbor that could generate some of these trips. There are only 25,000 to 50,000 trips to/from Gary and fewer to the south, southeast, and to/from the far northwest part of the NIRPC region toward Chicago.

Figure 25. Daily Regional Trips: All Trip Purposes



Source: NIRPC Traffic Model

South Lake County Community Services (SLCCS) Trip Patterns

South Lake County Community Services offers demand-response transit service throughout the County. An examination of the organization’s ride logs sheds light on the travel patterns of those already using transit in the area.

Methodology

Ride logs for Hobart were obtained from SLCCS for the month of February 2016. Trip origins and destinations were analyzed using GIS to discover the most common origins, destinations, and approximate path of travel. Paths shown in Figure 26 represent travel in both directions. While the lines show the travel paths “as the crow flies,” they still provide insight into the directional travel needs of transit riders. Origins and destinations of trips were aggregated to understand how different locations generate transit trips, regardless of whether people are being picked up or dropped off.

Origins and Destinations

The greatest concentration of origins/destinations is in the central and northern portion of the city,

especially near the intersection of Main and 3rd St.

The top five origins/destinations for demand-response service provided by SLCCS include the following:

1. Hobart City Court/Hall
2. Physician's Office
3. Hobart Senior Living
4. Hampshire Park Apartments
5. Retail Outlets in South West Hobart

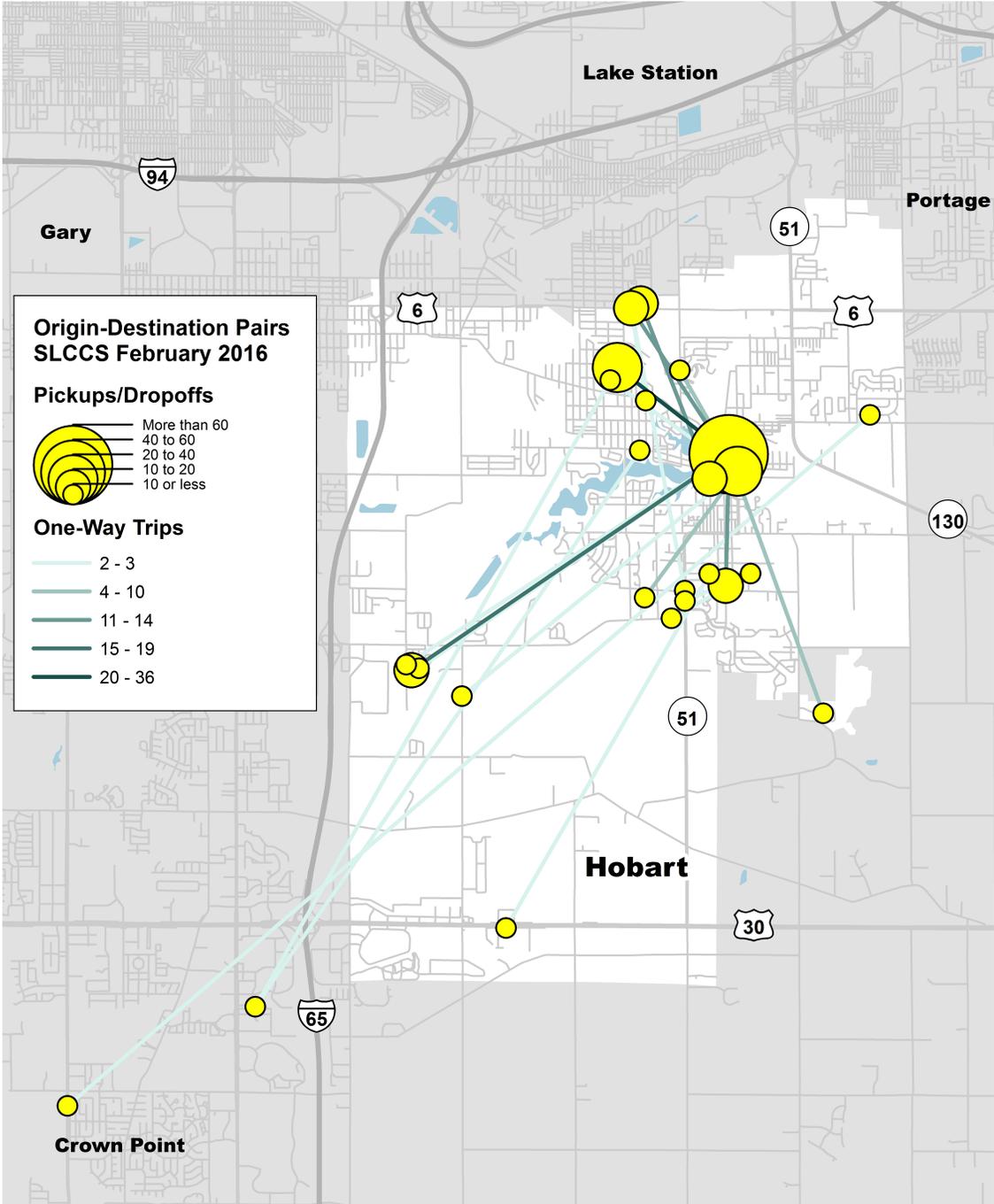
SUMMARY OF IDENTIFIED NEEDS

In Hobart, areas with the highest density of households per acre include areas surrounding Lake George near the downtown core, as well as the far southwestern corner of the city near US Highway 30. This is also shown by the residential location of survey respondents (majority of the respondents lived in Northern Hobart). Hobart has 14.4 percent elderly and 23.7 percent youth (19 and younger) population segments, which are considered transit dependent due to limited access to automobile. Moreover, 5.2 percent of Hobart households have no vehicle further exemplifying the need for transit. If stated preference is considered, 60 percent of survey respondents indicated willingness to use transit if it was available.

Through the public outreach efforts of the community survey and initial public meetings, through discussion with the Advisory Committee, and analysis of current on-call service provided through SLCCS, the following needs for added transit service have been identified:

- Access to jobs: The hours and limited capacity of current service are not complementary to providing residents with access to jobs within Hobart and/or to existing commuter service to Chicago.
- Medical and social travel for seniors: Hobart's senior population as a percent of total population exceeds the percent observed in Lake County (13.3 percent) and in Indiana (13.0 percent). Seniors typically require more assistance in travel than the population as a whole and the higher than average senior population rate in Hobart likely represents an elevated need for a greater level of access to transit.
- Nearby Higher Education: Indiana University Northwest and Ivy Tech Community College are located adjacent to the northwest corner of Hobart, however, there is a limited level of opportunity to access these education facilities from Hobart without access to an automobile.
- Limited Regional Connections: In areas surrounding Hobart there are numerous transit services providing regional connections (South Shore Line and ChicaGo Dash) as well as local service providers of Gary Public Transit and Valparaiso Transit, which provide fixed route service. By enhancing the level of transit service provided in and through Hobart, opportunities are created to fill in some of the gaps that exist within the region.

Figure 26. South Lake County Community Services Origins, Destinations and One-Way Trips for February 2016



Source: SLCCS Ride Logs for Hobart.



Chapter 3. Transit Service Options

This section details the transit alternatives analysis conducted for the Hobart Transit Feasibility Study. There are four sub-sections in this section describing the ridership estimate, alternative evaluation and preferred alternative and implementation plan.

The existing demand-response transit service provided through the county available to Hobart senior residents is capacity constrained and there is no existing city based service in Hobart. Hence, the first step to evaluate options and identifying a preferred alternative was to conduct a peer analysis of various small transit operators in Indiana. Next, initial alternatives were developed for the type of service likely in Hobart. Key service metrics from the peer analysis were used to supply details for each of the initial alternatives. Finally, a preferred alternative was identified with a future implementation plan in the city.

PEER ANALYSIS

Peer analysis is critical to developing metrics that will define the benefits and costs of a potential service in Hobart. Data for the peer analysis was taken from the National Transit Database (NTD) for the year 2014, the most recent year available.

Starting with all transit operators in Indiana, the analysis narrowed down the results to determine peer operators that are the closest match to Hobart. According to the 2010 US Census, Hobart has 29,059 residents and 19.67 square miles, which calculates to a density of 1,477 residents per square mile. Peer information from NTD considered small urban and rural operators with similar populations or densities. Results also considered the mode of operation, either fixed route (designated MB in NTD) or demand response (designated DR in NTD). The results of the peer identification process are shown in Table 2 for fixed route and Table 3 for demand response.

Once peers were identified, a number of key metrics were developed. Metrics were aimed at answering three key questions for each alternative:

- Number of riders expected
- Operating cost
- Number of required vehicles

Table 4 and Table 5 show the metrics developed from the peer information for fixed route and demand response, respectively. The sum totals at the bottom were used to calculate the metrics used in the analysis. For fixed route services, pertinent metrics for the alternatives analysis include:

- Average riders per capita: 4.30
- Average riders per revenue hour: 9.42
- Average annual cost per revenue hour: \$62.77

For demand response services, pertinent metrics for the alternatives analysis include:

- Average riders per capita: 0.57
- Average riders per revenue hour: 2.93
- Average annual cost per revenue hour: \$54.37

- Daily trips per vehicle: 16.9

Table 2. Fixed Route Peer Selection

City	System	Type	County	Service Area (Sq MI)	Service Population	Population/Sq MI
Anderson	City of Anderson Transportation System	Small Urban	Madison	45	55,600	1,236
Michigan City	Michigan City Transit	Small Urban	La Porte	20	31,452	1,606
Valparaiso	City of Valparaiso	Small Urban	Porter	16	31,733	2,043
PEER AVERAGE						1,483

Table 3. Demand Response Peer Selection

City	System	Type	County	Service Area (Sq MI)	Service Population	Population/Sq MI
Evansville	Metropolitan Evansville Transit System	Small Urban	Vanderburgh	45	122,961	2,732
Kokomo	City of Kokomo	Small Urban	Howard	80	62,182	777
New Castle	New Castle Community Transit System	Rural	Henry	7	18,114	2,481
Seymour	Seymour Transit	Rural	Jackson	11	17,503	1,533
La Porte	TransPorte	Small Urban	La Porte	13	21,692	1,669
Hamilton County	Express Public Transit	Rural	Hamilton	402	274,569	683
PEER AVERAGE						925

Table 4. Fixed Route Key Metrics

City	System	Annual Operating Cost	Annual Passenger Trips	Vehicles In Max Service	Revenue Hours	Riders/Capita	Riders/Revenue Hour	Cost/Revenue Hour
Anderson	City of Anderson Transportation System	\$1,809,395	217,607	7	24,640	3.91	8.8	\$73.43
Michigan City	Michigan City Transit	\$846,136	156,320	4	14,092	4.97	11.1	\$60.04
Valparaiso	City of Valparaiso	\$714,025	131,480	4	14,949	4.14	8.8	\$47.76
					PEER AVERAGE	4.3	9.4	\$62.77

Table 5. Demand Response Key Metrics

City	System	Annual Operating Cost	Annual Passenger Trips	Vehicles In Max Service	Revenue Hours	Riders/Capita	Riders/Revenue Hour	Cost/Revenue Hour	Daily Trips/Vehicle
Evansville	Metropolitan Evansville Transit System	\$2,004,188	48,048	14	30,209	0.39	1.6	\$66.34	11.0
Kokomo	City of Kokomo	\$950,430	71,553	19	19,218	1.15	3.7	\$49.46	15.0
New Castle	New Castle Community Transit System	\$428,109	51,173	6	7,170	2.83	7.1	\$59.71	34.0
Seymour	Seymour Transit	\$275,284	30,791	3	8,277	1.76	3.7	\$33.26	40.9
La Porte	TransPorte	\$577,349	44,461	5	12,243	2.05	3.6	\$47.16	28.4
Hamilton County	Express Public Transit	\$1,226,791	48,633	18	23,343	0.18	2.1	\$52.55	10.6
					PEER AVERAGE	0.57	2.9	\$54.37	16.9

INITIAL ALTERNATIVE EVALUATION

This section presents the development of initial alternatives, including methodology, the set of alternatives, and the evaluation of alternatives. The process of developing the alternatives included consideration of transit service delivery, operator, and market served.

Development Methodology

The development of alternatives included consideration of transit service delivery, operator, and market served.

Transit Service Delivery

Transit service delivery is defined as the way bus service could be provided in Hobart. All three delivery types described below are bus-based, with the differences being the policy accompanying the service.

Fixed Route – Defined as service operated on a regular alignment with a regular frequency, which is consistent with the type of service operated in Gary, South Bend, and Chicago. Passengers must leave their location and wait at designated stop in order to access the bus. Per the Americans with Disabilities Act, paratransit service must be provided within 3/4-mile of proposed fixed route service.

Deviated Fixed Route – This service concept reflects many of the same elements as fixed route, such as a regular alignment and regular frequency. The main difference is that buses in this concept, when requested in advance, leave the designated alignment in order to pick up a passenger within 3/4-mile of the alignment. For most deviated fixed route systems there is a maximum number of deviations per trip. As each deviation adds time to a particular part of a route and the requirements of being in certain places at defined times, the number of deviations allowed is generally one per trip. A key benefit to this concept is there the operator does not have to run parallel paratransit system for disabled and elderly riders, as these travelers are accommodated through the deviation. Bus service in Valparaiso is deviated fixed route¹.

Demand Response – this type of transit provides point to point transportation for all riders. Passengers call and reserve rides on the system (typically 24 hours in advance). Buses pick up and drop off riders curbside, thus eliminating the need to wait at a bus stop. Some demand response systems are limited to elderly and disabled passengers, while others are open to the entire community. The 24-hour reservation policy typically limits potential ridership, as it is more useful for certain trips than others. For example, a shopping trip planned in advance works with the system, while a visit to urgent care for a sudden illness does not.

Operating Alternatives

Selecting a potential transit operator can be a politically charged process, as costs and power structure must be weighed carefully before selection. Additionally, for any operator alternative other than a concept operated by the city, a competitive bid process must be followed in the selection. For the feasibility study, potential partners for fixed route and/or demand response were identified principally for the purpose of identifying a reasonable operating cost. In the study a combination of city operated and contracting with

¹ The V-Line service in Valparaiso operates on the one deviation per trip policy.

different partners were evaluated. The combination included provides local decision-makers with access to the critical inputs that need to be weighed and also provides the opportunity to outline a broader range of mixing various ideas to best suit the city's needs and budget.

Three general options were incorporated into the alternatives development and screening:

- **Coordinate with Gary Public Transportation Corporation (GPTC) to provide routes into Hobart** – GPTC, the largest public transportation operator in Lake County, provides a network of 11 routes in Gary and adjacent cities. In the alternatives discussed, GPTC branded buses to operate directly in Hobart.
- **Coordinate with South Lake County Community Services (SLCCS) to Provide More Service** – South Lake County Community Services operates demand response service throughout the southern part of Lake County utilizing a 17 vehicle fleet. In this option Hobart would provide additional funding for expanding the current SLCCS fleet and hiring more drivers for the purposes of providing more service in Hobart. The proposed concept would be provide a higher level of service in Hobart that is open to all residents.
- **Operation by Hobart** - A third option would be for Hobart to operate the transit service themselves, which could be either demand response or fixed route service. In the alternative the city would either add transit service responsibility to an existing department or add a new city department to administer service. In the fixed route concept operated by Hobart, the assumption was that on the street operations would still likely be contracted to a public providers such as GPTC or even a private vendor, similar to the Valparaiso alternative. Buses would be branded as “City of Hobart” buses. City staff would be responsible for service administration including determining the hours or service, selecting a vendor, coordination with NIRPC for reporting and grant administration, fleet procurement, and facilities. For demand response, the assumption was the city would be responsible for all aspects of the concept including taking reservations, dispatching vehicles, employing drivers, fleet procurement and maintenance, and facilities.

Transit Market

Two transit markets were identified for potential alternatives:

Local travel market - Hobart's size, density, and retail development mean that local trips are the most likely transit market served.

Commuter travel market – Hobart's location on the fringe of the Chicago metropolitan area (approximately 40 miles from the Loop) make it a potential market for commuter connection services. The South Shore commuter rail line operates service from Miller station to Millennium station in downtown Chicago. Additionally, Valparaiso operates the ChicaGo Dash commuter bus service, which passes through Hobart but does not make a stop in the city.

Alternatives

Using the criteria presented above, seven alternatives were developed for analysis. The seven alternatives are presented in Table 6. While the operator matters in terms of cost (and ultimate evaluation), the transit mode is the key differentiator among alternatives. Consequently, alternatives are numbered 1 through 4

based on the mode. The operator then differentiates the sub-alternative (i.e. 1a and 1b represent the operator sub-alternatives).

Table 6. Initial Transit Alternatives

Alternative	Mode	Operator	Market
1a	Demand Response	South Lake County Community Services (SLCCS)	Local
1b	Demand Response	City of Hobart	Local
2a	Fixed Route	Private Contractor (GPTC)	Local
2b	Fixed Route	City of Hobart	Local
3	Deviated Fixed Route	Private Contractor (GPTC)	Local
4a	Commuter	Private Contractor (GPTC)	Local
4b	Commuter	City of Hobart	Commuter

Alternative 1 – Demand Response

The demand response alternative consists of a zone of service, as shown in Figure 27. The zone is approximately the city limits, but is split into a higher demand and lower demand area. The high demand area contains most of the population and employment within the city, and would require four vehicles to serve. The lower demand area is undeveloped but would still need service, and would require one vehicle in operation. Vehicles within the zone would pick up and drop off passengers at their desired location, thus providing door to door service. Trips would be scheduled at least 24 hours in advance, and would be open to the general public.

Operating cost was estimated for two potential operators, SLCCS and independent service operated by the city. SLCCS costs are reported to be \$40.00 per revenue hour. Therefore, if they are operating the service, the annual operating cost estimate is \$459,000. If Hobart operates the service, the average annual cost per revenue hour is \$54.37, and the annual operating cost of the service is estimated to be \$624,000.

Operational summary:

- Service span: 9 hours per day
- Days of operation: weekdays only
- Daily ridership estimate²: 60 – 130
- Vehicles in peak operation³: 5
- Revenue hours: 11,475
- Operating cost: \$459,000 (SLCCS operated) - \$624,000 (city operated)
- Capital cost: 6 vehicles (5 in operation + 1 spare) x \$70,000 = \$420,000

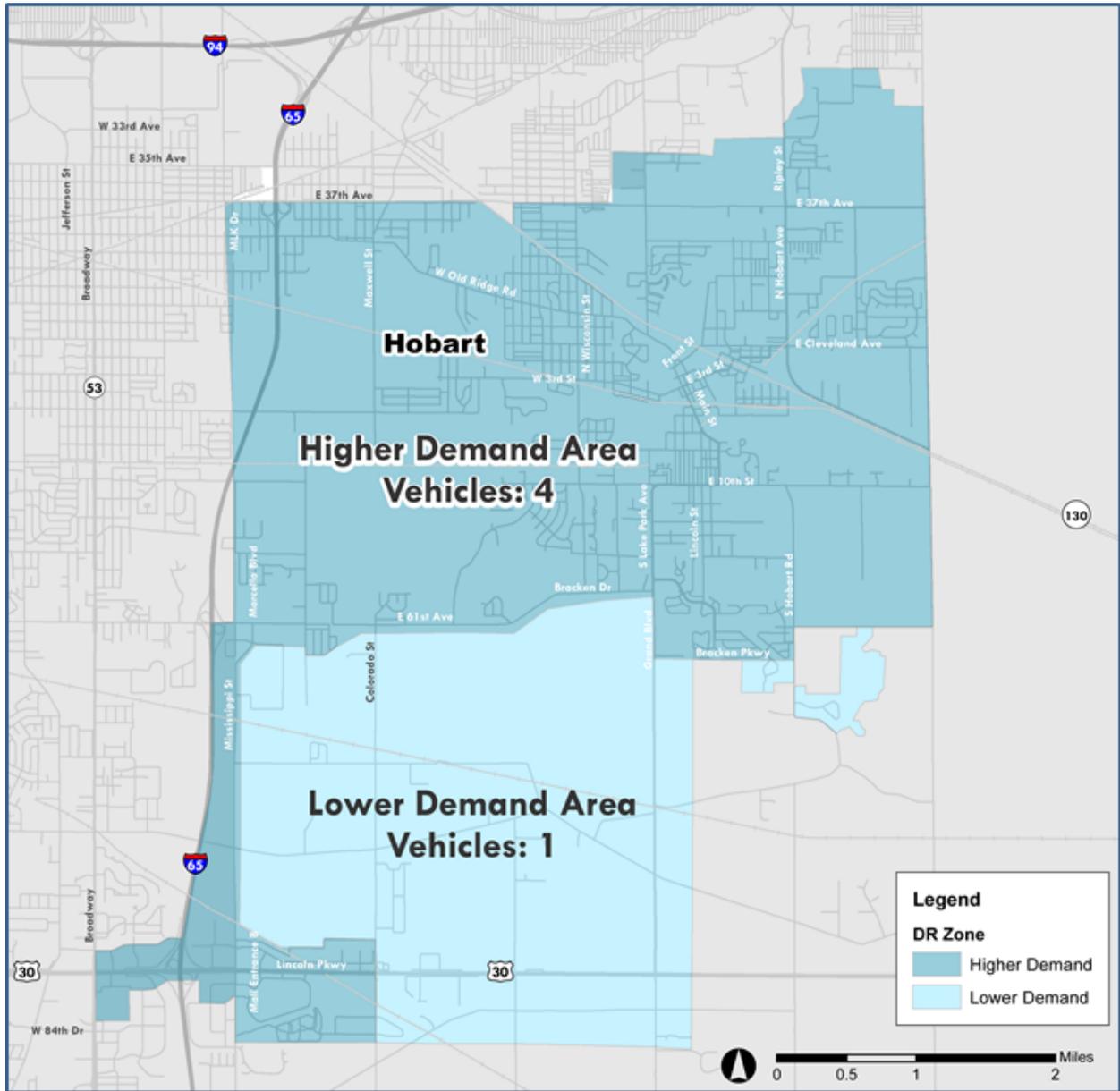
² Daily ridership range estimated as

Per capita: 29,059 residents in zone x 0.57 rides per resident / 255 days of service = 60 (rounded down)

Per revenue hour: 11,475 revenue hours x 2.93 rider per revenue hour / 255 days of service = 130 (rounded down)

³ Vehicles for required operation calculated as 60 daily riders / 16.9 rides per vehicle = 4 vehicles (rounded up). A fifth vehicle added for low density southeast area.

Figure 27. Demand Response Alternative



Alternative 2 – Fixed Route (Local Service)

The fixed route alternative consists of two routes operating as shown in Figure 28. Route H-1 is proposed to operate from St Mary Medical Center to IUNW at 35th/Broadway in Gary via Lincoln Street and Old Ridge Road. Route H-2 is proposed to operate from Broadway/US 30 in Merrillville to US 6/IN-51 in northeast Hobart via Mississippi Street, 61st Avenue, Wisconsin Street, and IN-51. Each route would operate with a 60-minute frequency and are estimated to have a 120-minute cycle time (including layover/recovery time at each end of the route). A total of two vehicles are required per route, or four total in operation. The routes would be timed to meet so that transfers can be made between routes.

Operating cost was estimated for two potential operators, directly operated by GPTC and operated by the city. The difference between the options is the cost of necessary paratransit service. If one agency, such as GPTC, was to provide both fixed route and paratransit service, their typically hourly costs would need to be applied to each service. Assuming a full service operator such as GPTC is the provider, the service cost for fixed route and paratransit service be reflective of their costs. Paratransit hourly costs of \$158.19⁴ was used, which is reflective of the GPTC cost. Of note, GPTC paratransit service already covers a small part of northwest Hobart. If the city operates the service, they would be able to look to other providers than their fixed route provider, which would likely allow them to reduce the hourly cost. In this sub-alternative it was assumed the hourly paratransit cost would be consistent with the SLCCS basic hourly cost per revenue hour of \$40.00.

The operating cost at GPTC rates is $12,240^5 \times \$96.25^6 = \$1,178,000$. In addition to the fixed route, ADA paratransit costs were also based on service hours, however, rather than applying the hourly cost to the daily span of service and annual service days, the hours of service were based on the average annual trips provided and a typical time per trip. The estimated revenue hours through this approach were then multiplied by the hourly cost. For the scenario where the fixed route contractor also provides ADA paratransit the paratransit annual cost was estimated to be $705^7 \times \$158.19 = \$112,000$. The grand total of fixed route service directly operated by GPTC is estimated to cost \$1,290,000.

The alternative of operating service through a contractor an hourly cost consistent with GPTC's hourly rate cost of fixed route service of \$96.25 was used. The annual estimated annual operating cost would be \$1,178,000. The paratransit cost would be 705 hours \times \$40.00 = \$28,000. Therefore, the grand total of fixed route service operated by the city is estimated to cost \$1,206,000.

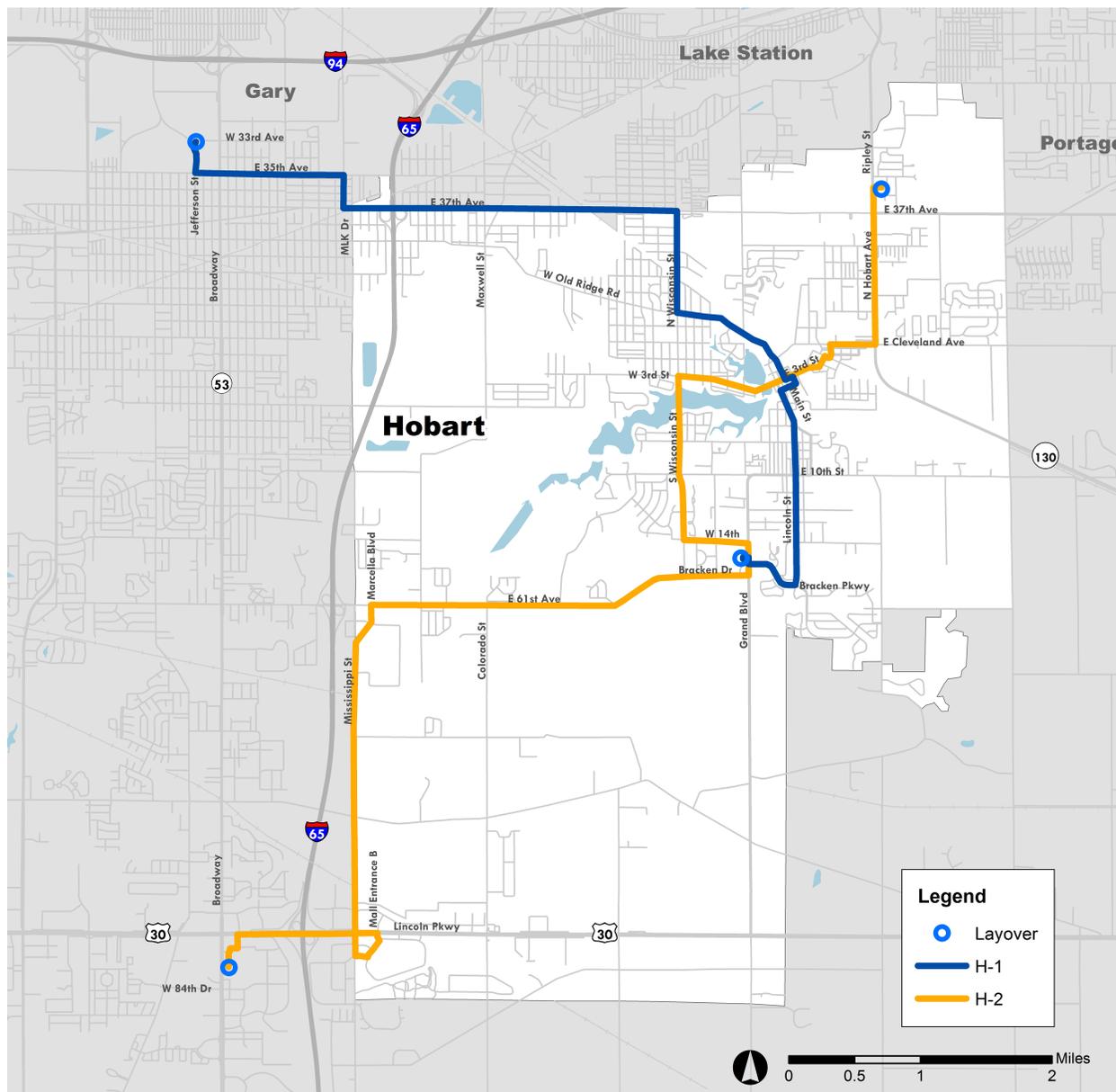
⁴ Paratransit operating cost for GPTC.

⁵ Fixed route revenue hours estimated to be 2 routes \times 2 vehicles \times 12 hours of service \times 255 days of service = 12,240 revenue hours

⁶ Operating cost for GPTC.

⁷ Paratransit revenue hours estimated to be 8.3 trips per day \times 20 minutes per trip \times 255 days of service = 705 hours.

Figure 28. Fixed Route Alternative



Operational summary:

- Service span: 12 hours per day
- Days of operation: weekdays only
- Daily ridership estimate⁸: 450 – 490
- Vehicles in peak operation: 4
- Fixed Route revenue hours: 12,240
- Paratransit revenue hours: 705
- Operating cost: \$1,290,000 (GPTC directly operated) - \$1,206,000 (city operated)
- Capital cost: 5 vehicles (4 in operation + 1 spare) x \$70,000 = \$350,000

Alternative 3 – Deviated Fixed Route

The deviated fixed route alternative is similar to the fixed route alternative, consisting of two routes that cover the most important destinations within the city. The main difference is a 3/4-mile buffer drawn around each route, which allows for the vehicle to leave the alignment to pick up a passenger. The deviated fixed route alternative is shown in Figure 29. Each route would operate with a 60-minute frequency and is estimated to have a 120-minute cycle time (including layover/recovery time at each end of the route). Based on this cycle time, H-1 would have almost 30 minutes for each deviation, while H-2 would have nine minutes for deviations in each direction. A total of two vehicles are required per route, or four total in operation. The routes would be timed to meet so that transfers can be made between routes.

Operating costs assumed that GPTC operates the service via third party contract. The annual operating cost for the deviated fixed route service is $12,240 \times \$96.25 = \$1,178,000$. No paratransit service would be needed because the deviation essentially replaces the paratransit service. In addition, Hobart would need a city employee to manage the contract with GPTC. The assumption is that someone already on the payroll would take on this job. The service operational summary is listed below:

- Service span: 12 hours per day
- Days of operation: weekdays only
- Daily ridership estimate⁹: 450 – 490
- Vehicles in peak operation: 4
- Revenue hours: 12,240
- Operating cost: \$1,178,000 (GPTC via third-party contract)
- Capital cost: 5 vehicles (4 in operation + 1 spare) x \$70,000 = \$350,000

⁸ Daily ridership range estimated as

Per capita: $(29,059 \text{ residents} \times 4.30 \text{ rider} / \text{resident}) / 255 \text{ days of service} = 490$ (rounded down)

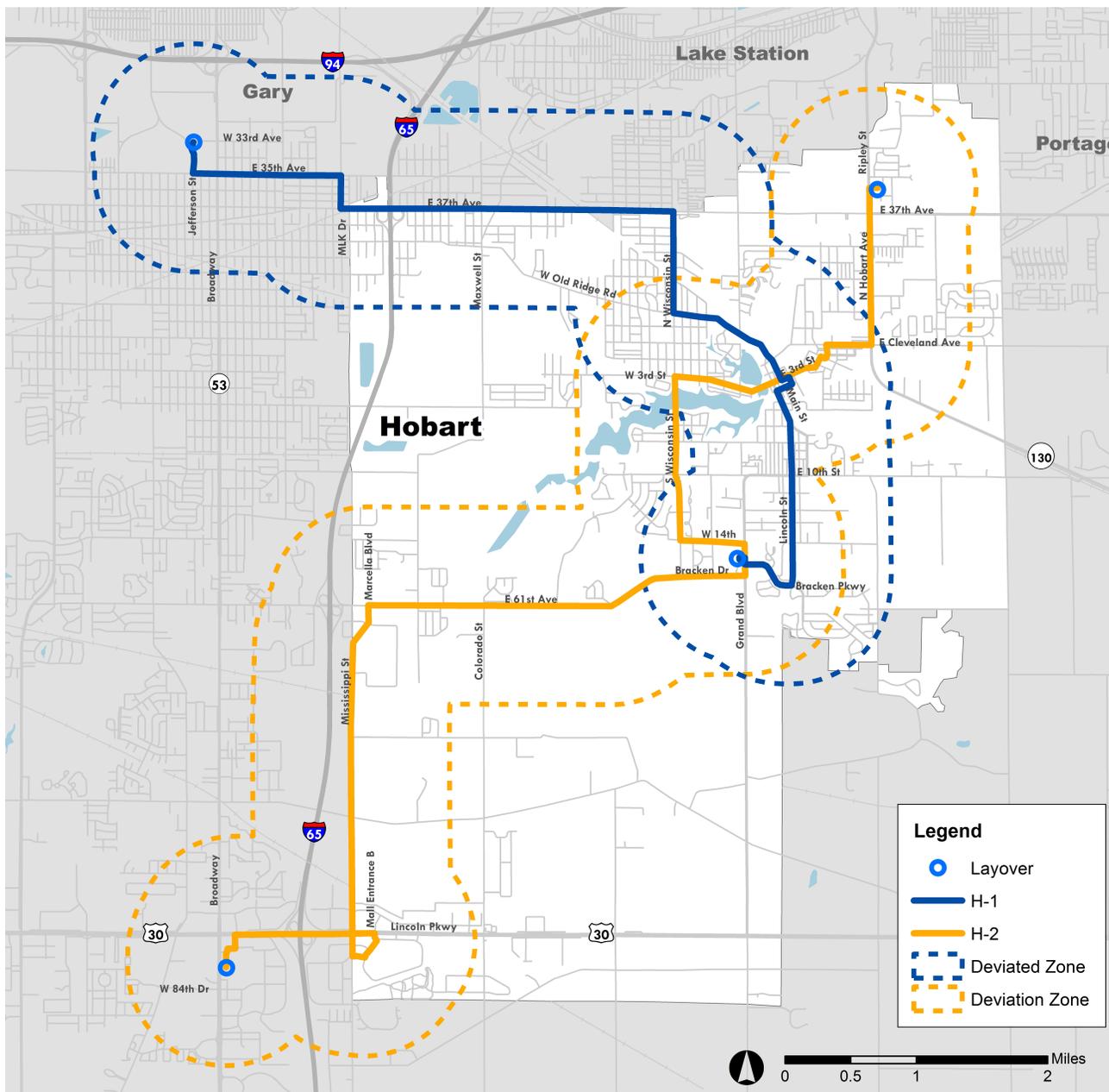
Per revenue hour: $(12,240 \text{ revenue hours} \times 9.42 \text{ rides} / \text{revenue hour}) / 255 \text{ days of service} = 450$ (rounded down)

⁹ Daily ridership range estimated as

Per capita: $(29,059 \text{ residents in zone} \times 4.30 \text{ ride} / \text{resident}) / 255 \text{ days of service} = 490$ (rounded down)

Per revenue hour: $(12,240 \text{ revenue hours} \times 9.42 \text{ rider} / \text{revenue hour}) / 255 \text{ days of service} = 450$ (rounded down)

Figure 29. Deviated Fixed Route



The amount of time available in Route H-1 to accommodate deviations provides another, and potentially more beneficial, opportunity of permitting a connection between Hobart and Portage via US 6. At the same time that Hobart is looking at enhancing the level of transit service available in the community, the Portage Mayor's Committee on Aging is conducting a similar study. Both communities have expressed interest in not only providing more service within their respective city limits, but also enhancing regional transit connectivity. By realigning the two route concepts in Hobart there is an opportunity to provide the same level of service coverage in Hobart and extend east to connect with potential Portage service at Willowcreek Road/US 6 (Walmart area).

Figure 30 displays the alternate route concept to include the extension to Portage. To provide the time required to get to/from Willowcreek Road/US 6 alignments of both the H-1 and H-2 routes in the central part of Hobart were revised. With the changes in routing and extending the service to Portage, approximately nine minutes is available on each route for deviations. Key to the feasibility of the extension is the 30 minutes of time available in the original H-1 for deviation. As the alternate concept reallocates this time, the overall operating and capital costs of the Portage connection route and the original Hobart only concept are similar.

Alternative 4 – Commuter Alternative

The commuter alternative consists of two ideas that would significantly improve commuter connections from Hobart into downtown Chicago as shown in Figure 31. The first idea is to add a ChicaGo Dash stop in Hobart somewhere in the vicinity of US 6 and IN-51. Preliminary talks with Valparaiso has shown they are interested in adding the stop, but would need to ensure it does not significantly impact existing Valparaiso riders, since their tax dollars are funding the service. To that end, the stop would need to be located somewhere with easy right in/right out access so that it is not delayed by traffic for the morning trip. In addition, Hobart would need to provide a worker to sell tickets at the stop, since Dash tickets are mostly purchased directly by riders. Because Dash would not increase the number of trips and there are currently Hobart residents who drive to Valparaiso to ride the Dash, no additional riders are assumed with the new stop in Hobart.

The second idea is a commuter shuttle connecting the Miller South Shore station on the north and the proposed ChicaGo Dash stop along State Road 51/Hobart Avenue. The route would operate from 6:00 AM to 8:00 AM to provide three trips in the Miller Station and from 5:00 PM to 7:00 PM to provide four trips from Miller Station. Using the identified ChicaGo Dash stop as the Hobart origin/destination for commuter trips to/from the South Shore Line, the proposed Hobart shuttle would provide an integrated network. Users could ride into Chicago on one service, and return on the other service if the timing suits them better.

For this alternative, there are two operator scenarios: operation by a contracted agency (viz. GPTC) and operation by the city of Hobart. For contracted service, with an hourly cost of \$96.25 per revenue hour, the annual operating cost for the commuter alternative is $2,040^{10} \times \$96.25 = \$196,400$. If City operated the service, the operating cost for the commuter alternative is $2,040 \times \$54.37 = \$110,900$.

¹⁰ Revenue hours were calculated as: 2 hours in the morning and 2 hours in the evening and 2 vehicles in service in each period for 255 days per year, for a total of 2,040 revenue hours.

Figure 30. Deviated Fixed Route Alternative Routing – Portage Connection

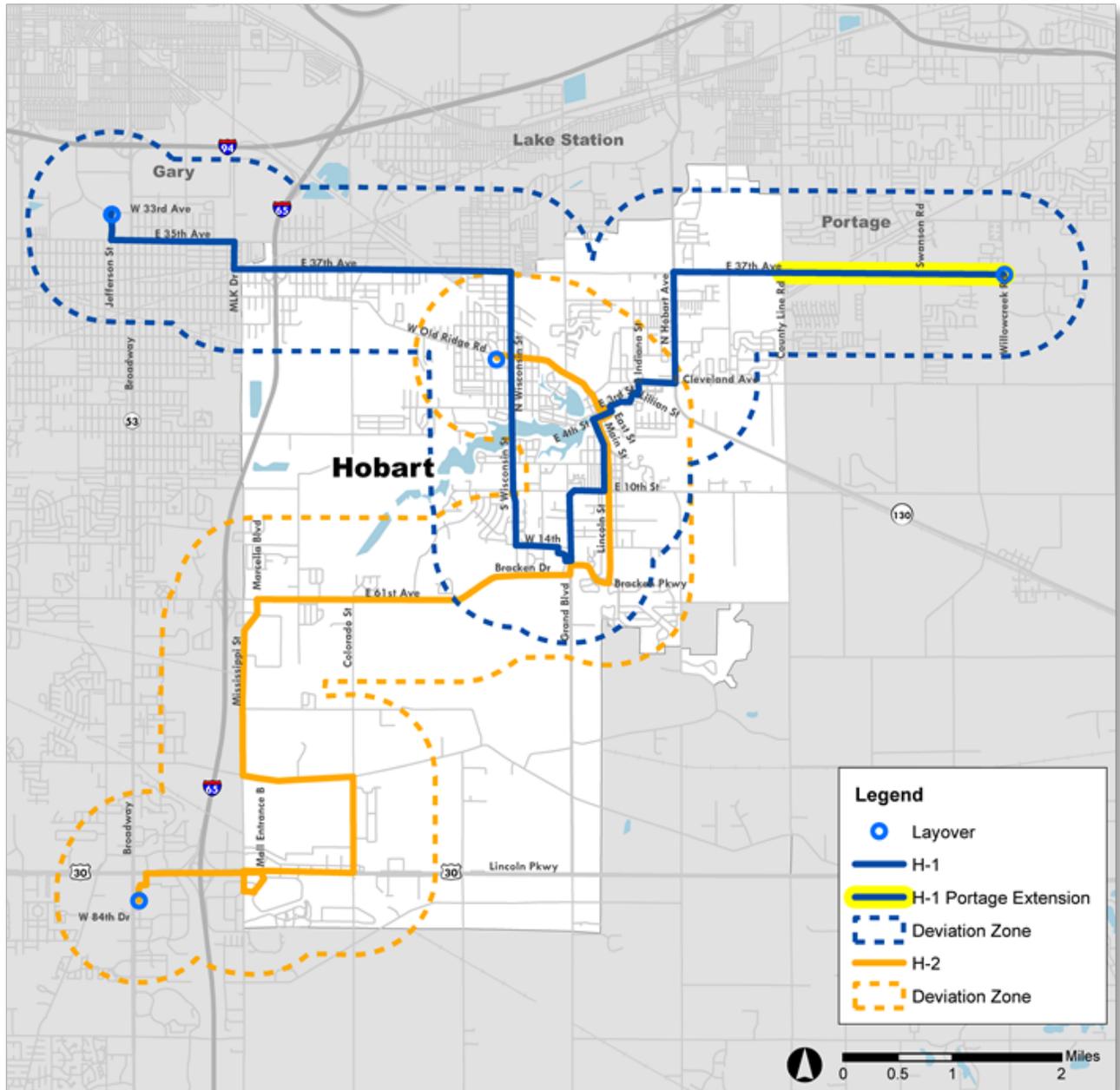


Figure 31. Commuter Alternative



Operational summary:

- Service span: three round trips per day
- Days of operation: weekdays only

- Daily ridership estimate¹¹: 20 – 60
- Required vehicles in operation: 2
- Revenue hours: 459
- Operating cost: \$25,000 (City Operated) - \$44,000 (GPTC operated)
- Capital cost for commuter route: 3 vehicles (2 in operation + 1 spare) x \$70,000 = \$210,000
- Capital cost for Dash stop: \$50,000

Alternative Evaluation

Table 7 presents the numbers calculated for the seven initial alternatives for evaluation purposes.

Table 7. Alternative Evaluation

Alternative	Service Type	Operator	Daily Riders	Annual Operating Cost	Total Vehicles	Total Capital Cost
1a	Demand Response	South Lake County Community Services (SLCCS)	60 – 130	\$459,000	6	\$420,000
1b	Demand Response	City of Hobart	60 – 130	\$624,000	6	\$420,000
2a	Fixed Route	Contractor (GPTC)	450 – 490	\$1,299,000	5	\$350,000
2b	Fixed Route	City of Hobart	450 – 490	\$1,209,000	5	\$350,000
3	Deviated Fixed Route	Contractor (GPTC)	450 – 490	\$1,178,000	5	\$350,000
4a	Commuter	Contractor (GPTC)	20 – 60	\$196,000	4	\$330,000 ¹²
4b	Commuter	City of Hobart	20 – 60	\$111,000	4	\$330,000 ¹²

While the ridership and cost figures can provide inputs for comparing the alternatives, ultimately responsibility for recommending a preferred alternative rests with the Steering Committee, with the final decision resting with the City Council. Through discussion of the pros and cons of each alternative and the potential for each to address community travel needs that are currently not being met, the Steering Committee completely an initial screening that resulted in the following:

- Eliminate the fixed route service options. While the concept would likely service the greatest number of people in the city, a similar market could be served with deviated fixed route service

¹¹ Daily ridership calculated using slightly different metrics due to commuter service.

Per capita: (29,059 residents x 0.50 riders per resident) / 255 days of service = 60 (rounded up)

Per revenue hour: (459 revenue hours x 10.0 riders per revenue hour) / 255 days of service = 20 (rounded up)

¹² Commuter service alternative includes \$50,000 of park-n-ride location improvements as a placeholder in addition to vehicle costs.

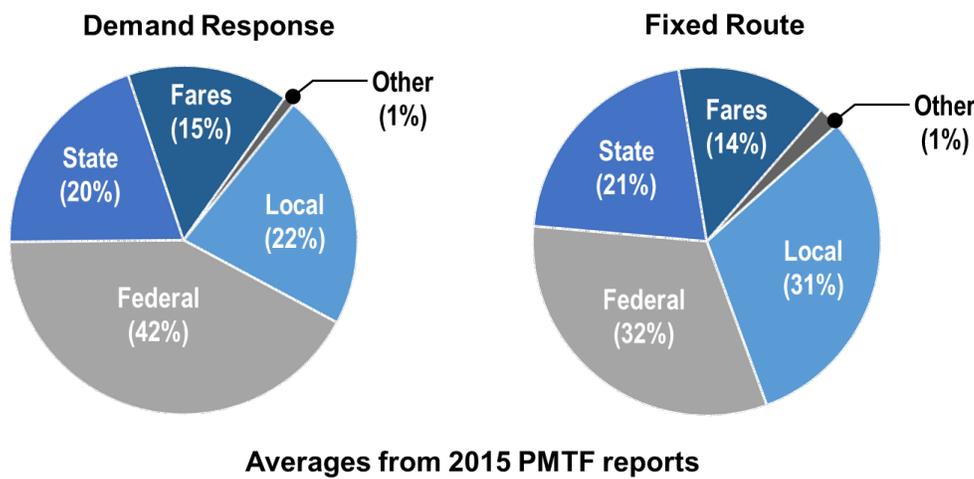
that did not require investment into ADA paratransit.

- Retain both the demand response alternative and the deviated fixed route alternatives.
- Continue to evaluate contracted and city-operated alternatives.
- Coordinate routing options with Portage and GPTC to provide regional connectivity to improve the utility of the investment.

Chapter 4. Financial Analysis

Critical to receiving operating funding from the INDOT through the Public Mass Transportation Fund (PMTF) is the strength of the community's commitment of local funds. Presently, the state contributes approximately \$50 million (\$40.997 million in 2015) annually for operating support of the range of urban and rural services across the state. While there is a formula for determining the distribution to each community or metro area, allocations are based on ratios of specific community ridership and operating expenses to all other locations in a specific group. Groups are determined based on the type of service and the relative population of a community. Thus, it is difficult to definitively calculate the PMTF allocation to Hobart. For the feasibility study, an estimate of the potential PMTF allocation was calculated based on the percentage of total operating costs covered by the PMTF for communities in the Hobart peer group and potential service type. Estimated distribution of operating costs by funding source for fixed route and demand response service are displayed in Figure 32.

Figure 32. Approximate Funding Distribution based on Averages from 2015 PMTF Reports



For fixed route alternatives the group average was 31 percent of operating costs and for the demand response service peer group the average was 22 percent of operating expenses. These percentages were applied to the estimate annual operating costs for Hobart and are documented in Table 8.

REVENUE ESTIMATION

Estimated revenue fare structure of surrounding transit systems is summarized as shown in Table 9. General fare for fixed route ranges between \$1.00 – 1.75 while paratransit fare ranges from \$1.00 – 2.50.

Table 8. Cost Allocation Estimates – Operating and Capital Costs

Alternative	Service Type	Annual Operating Cost	Total Capital Cost	Annual Operating Cost	Local Capital Cost (20% of Total)	Local Annual Operating Cost
1a	Demand Response	\$459,000	\$420,000	\$459,000	\$84,000	\$101,000
1b	Demand Response	\$624,000	\$420,000	\$624,000	\$84,000	\$137,300
2a	Fixed Route	\$1,299,000	\$350,000	\$1,299,000	\$70,000	\$402,700
2b	Fixed Route	\$1,209,000	\$350,000	\$1,209,000	\$70,000	\$374,700
3	Deviated Fixed Route	\$1,178,000	\$350,000	\$1,178,000	\$70,000	\$365,200
4a	Commuter	\$196,000	\$280,000	\$196,000	\$76,000	\$43,200
4b	Commuter	\$111,000	\$280,000	\$111,000	\$76,000	\$24,400

Table 9. Summary of Peer Analysis for Fares Charged by Surrounding Transit Systems

Community	One-Way Daily Fare by Service			
	Demand Response	Fixed Route	Paratransit	ChicaGo Dash
VLine	NA	\$1.00	\$1.00	\$8.00
GPTC	NA	\$1.60/ \$0.80 ¹³	\$2.50/ \$4.00	NA
Marion	NA	Fare Free	Fare Free	NA
Michigan City		\$1.00/ \$0.50	\$2.00	NA
Richmond		\$1.75/ \$1.50		
LaPorte	\$3.25/ \$2.50	NA	NA	NA
Porter County Transit	\$1.00	NA	NA	NA

SOURCES OF LOCAL SHARE OF FUNDING

Across the country, local share of funding can come from many sources including property taxes, sales and use taxes, utility fee or surcharge, wheel taxes, business taxes, payroll taxes, local gas taxes, advertising, etc. There are a variety of different local funding sources throughout the country and the chosen mode of local fund generation is driven by local conditions.

¹³ \$0.80 is the discounted fare for elderly population. Similarly, other fares in the table written the same way also indicate either discounted or round-trip fares.

Current transit funding sources in Indiana, like in most states, are being stretched to a point where major decisions as to who receives funding and at what level may need to transition from providing some amount to those in need to funding only those that meet more restrictive certain performance criteria. While Indiana has not reached such a point, the state Passenger Mass Transit Fund (PMTF) used to support operating funding has remained static even as program grantee costs have increased and additional jurisdictions have considered providing transit service.

Consequently, potential revenue options beyond the traditional three-source combination of FTA grants, state PMTF, and local matching funding have been identified and evaluated for use to provide a sustainable program concept for supporting mobility needs of the residents, workers and visitors. Central to the range of alternatives is they would be implemented at the local level (with supporting state enabling legislation). As part of the Hobart Transit Feasibility Study alternate revenue generation concepts that could be used to fund in part and/or entirely through local sources estimated annual operating and capital costs have been identified and reviewed. Review of the alternatives has focused on addressing the following questions:

- What is the amount of funding generated from the concept (yield) and how does the level compare to estimates of annual operating and capital costs?
- How easy or difficult could it be to implement the concept? It is assumed that any concept resulting in residents/businesses paying more of their earnings to a government program will encounter some level of opposition, however, the legislature has made many of the options available to Hobart while others will require action by bodies outside the city.
- How sustainable or stable is the option? The goal is to develop a transit service concept that is financially viable today and into the future and a stable funding source is critical to this effort.
- Will the public support their earnings being used for transit service? As was stated earlier, there will likely be some level of opposition to any suggestion of a new publicly funded service, however, the severity of opposition will depend on who pays and how much. Alternatives that spread the burden and place the burden on those people benefiting will likely face less opposition.

Table 10 documents 13 alternates the SRF/CTG team has identified as potential methods for funding some portion, or possibly all, of the proposed transit system operations, maintenance, and capital expenditures. Alternatives in the table could be used for a short-term period (rather than CMAQ funds as have traditionally been used for transit system start-up) prior to requesting use of PMTF resources. One or a combination of the options could be used for the longer term should the more traditional methods of funding transit systems in Indian not be available to Hobart.

Table 10. Local Source of Transit Funding Alternatives

Funding Alternative	Description	Assessment Relative to Screening Criteria				
		Yield	Stability	Ease of Implementation	Connectivity to Transit	Public Acceptance
Fares	Set the per ride/boarding fare at a level that would cover all or some acceptable level of operating and capital costs.	By Boarding (Local Trip on 2 Vehicle System): \$1 - <10% of O/M \$2 - 13% of O/M \$3 - 19% of O/M \$4 - 25% of O/M (liking negatively impacts ridership)	Moderate: Fares generally reflect a negative price elasticity - Raise fares - Use decrease. For fares under approximately \$2-\$3 per boarding - Revenue is stable. >\$3 per boarding - ridership will likely be less than estimate - reducing revenue.	Relatively Simple	Those who benefit - pay. Direct relationship.	Likely Acceptable to Non-users. Fares > \$4 per boarding - Likely unacceptable to users.
Sponsorship/Contributions by Employers/Medical Centers	City works with local employers and medical centers to fund all or a large part of the annual O/M and/or capital costs. Majority of trip purposes - Medical, Shopping - Seek sponsorship from medical and businesses in retail districts	Contributions of \$3,000 to \$5,000 per year from medical centers can be acceptable. Retail business, generally do not provide contributions. Another way to provide this is to sell discounted passes to certain businesses (call centers, for example) that they can pass out to employees Employers support is based on reliability of getting workers. Concepts discussed will not provide a significant employer benefit. Yield is moderate - Estimate \$50,000 to \$75,000 per year.	Moderate: May be able to obtain start-up support, but if employers and businesses do not see a benefit to employees or customers, no requirement to continue support beyond current commitment.	Moderate - Gaining early support requires a champion. Difficulty is relative to amount of request.	Businesses that benefit (providing service for employees or customers) would pay. Direct relationship.	Typically very positive - Seeing businesses on-board is a positive.
Sales Tax Revenue	Dedicate new sales tax to fund transit operations and capital	\$0.01 of sales tax in Hobart would generate \$4.4 M on retail sales of \$440 M. (Total retail sales calculated by assuming all per capita retail sales for Hobart residents occurs inside community - Actual is most likely less, but the value provides an estimate for use).	Moderate: Many retail businesses are experiencing stable to somewhat declining sales - Attaching to internet sales from Hobart residents will aid in providing more stability	Difficult - Sales tax revenue goes to state. Need to obtain legislative approval to retain sales tax at home.	Not directly related.	Generally negative: <ul style="list-style-type: none"> Increasing any tax is presently met with opposition. Transit service is not likely the highest priority for use of sales tax revenue - assuming can obtain local authority to generate. A Consideration - Southlake Regional Shopping Center generates a substantial portion of retail sales - Mall is in Hobart, but many/most customers are outside - Reducing the burden on residents - Could improve the acceptance.

Table 10. Local Source of Transit Funding Alternatives (Continued)

Funding Alternative	Description	Assessment Relative to Screening Criteria				
		Yield	Stability	Ease of Implementation	Connectivity to Transit	Public Acceptance
Property Tax	Dedicate a portion of property tax receipts to fund transit operations and capital improvements	1 Mill - Generates \$155,000 annually. Funding 2 vehicle system locally requires 2-3 mills for operations. An additional ¼ mil would generate funding for vehicle replacement on 7-year cycle.	High: As long as property values remain relatively stable, funding generated from each mil is stable.	Procedurally - Relatively simple as all means are in place.	Property taxes are the primary source of local funding for most systems in Indiana. Users and non-users that benefit and are local, fund service.	Generally negative reaction to increasing property tax rates for most any purpose.
Income Tax	Dedicate a portion of income tax (likely an increase in the total rate) to transportation improvements or transit only.	0.25% - Rate proposed in Indianapolis. 0.25% - Generates \$1.0-1.5 million (based on average per capita income of \$27,300 from census).	High: Includes all businesses and households in the community. Annual income level in Hobart - is stable.	Difficult - Need to obtain legislative approval to retain sales tax at home.	Providing an enhanced level of transit in Hobart supports the ability to get to jobs in town, which generate income that is taxed to pay for service.	Generally negative: <ul style="list-style-type: none"> Increasing any tax is presently met with opposition. Transit service is not likely the highest priority for use of sales tax revenue - assuming can obtain local authority to generate.
Vehicle Registration Fee/ Wheel Tax	Attach an additional fee to motor vehicle and/or trailers registered in Hobart. Wheel tax revenue is generally dedicated to road improvements and new facilities, not transit. Assumption is new roadway revenue from wheel tax would allow some amount of general fund revenue presently used for roads to be redirected to transit.	Assuming countywide average vehicles per household applies in Hobart - Revenue generated is approximately: <ul style="list-style-type: none"> \$10 Fee/Vehicle: \$450,000 \$20/Vehicle: \$900,000 \$30/Vehicle: \$1.35 million Using Crown Point as example - \$20 for light duty and \$40 for heavy duty could generate \$1.6 million/year. Similar rates anticipated to generate \$945,000/year in Portage.	High: Number of registered vehicles is stable or growing.	Relatively easy - Enabling legislation exists. Requires approval of city council.	Motorist would benefit some amount if there is a mode shift to transit. Anticipated shift is MINOR, but there could be some. Wheel tax is considered a moderately regressive tax, especially if flat fee is charged by weight.	City has discussed in the past and did not enact due to a number of unknowns and concerns about tracking vehicles to apply tax.
Employee Levy/Fee	Establish a per employee fee to employers whose employees would benefit by having service.	Low - In many applications fee is charged only to larger employers to encourage transit use to offset congestion. Not many large employers.	High: As long as employers are not leaving community, there would be a stable base.	Moderately difficult as employers will argue against. May require legislative action.	Intent is to apply in locations where peak hour congestion by commuters driving alone is a significant issue. The level of service proposed for Hobart would not have the capacity to significantly influence congestion. Thus, difficult to argue.	Businesses will argue it impacts financial stability and will have to pass cost on. Public generally does not react negatively unless fee results in businesses threatening to leave. Yield would not likely support negative business reaction.
Local Vehicle Use (Mileage) Tax	Annual tax/fee imposed on vehicle owners based on the number of miles traveled per year.	Moderate to High - Depending on the rate charged.	High: VMT is stable or increasing, generating a stable basis for charging.	Very difficult - The opposing argument will be most of resident's travel is outside Hobart, however, the city is benefiting. Separating out local travel would be very difficult. Better applicability at state or metro level. Fee is likely regressive as low income persons would pay higher percent of income to fee.	Motorist would benefit some amount if there is a mode shift to transit. Anticipated shift is MINOR, but there could be some.	Generally little support as people would not desire to break out local versus non-local miles and no real convenient system to accomplish the break out.

Table 10. Local Source of Transit Funding Alternatives (Continued)

Funding Alternative	Description	Assessment Relative to Screening Criteria				
		Yield	Stability	Ease of Implementation	Connectivity to Transit	Public Acceptance
Utility Levy	Apply a special transit levy to utility accounts for consumers in Hobart	Low – Fee needs to be moderate. \$5/customer – Generates	High: Water, electric, gas use is stable or growing.	Relatively easy as would require action by council and/or utility board.	Not closely aligned with transportation service.	Adding flat fees to utilities generally has a low level of acceptance.
Parking Fee/Tax (applied in lots and at meters)	Establish an on-street parking fee and/or lot fees and allocate the increment to transit service.	Low – The fee available for transit low. Meters were removed in 1991, so an infrastructure would need to be developed and there is a cost for maintenance. Cost would reduce funding to transit.	Low: If there is opposition to the fee, people will find free on-street parking outside the fee area. Requires staff to identify violations, which would erode amount to transit.	Very Difficult – Requires infrastructure for collection, staff to maintain and enforcement staff.	Motorist would benefit some amount if there is a mode shift to transit. Anticipated shift is MINOR, but there could be some.	Likely to be opposition for many fronts. People have become used to free parking and implementing a fee will not be popular with travelers or businesses.
Advertising/Naming Rights	Sell advertising rights on vehicle or at selected highly-visible stops. Another option is to name a service for a corporate sponsor (for example, the Gummy Line sponsored by Albanese Candy)	Low: Since ridership is not expected to be more than 30-45 riders per day, most businesses will not likely see the value in advertising. Thus applicant pool will be small.	Depends on the length of the contract signed.	Difficult to make a sale, but easy to implement once sale is complete.	Transit vehicles, shelters, etc. become the media for the advertiser to distribute their message. Direct relationship.	High since funding would be from a private source.
Park and Ride Fees	Charge for parking at park and ride lot associated with service to/from South Shore Line.	Low: the amount collected would be offset by the cost to staff the lot, tickets, and count the cash collected	Low: Parking at Miller Station is currently free, thus providing little incentive for persons to pay to park in Hobart.	Moderate: selecting a park and ride is the key. Beyond that, easy to implement.	Direct. Park and ride is essentially a user fee.	Not likely to have much support since most parking in Lake County is free, including at most South Shore stations.
Senior housing/assisted living bed tax	Charge a fee at assisted living facilities for those using the proposed transit service.	Moderate to High: Depending on the rate charged.	High: As long as facilities are not leaving community, there would be a stable base.	Unknown if this is allowed by legislation, and even if it is, would likely face resistance from providers.	Direct relationship to those using the system.	Not likely to be accepted by the public, since targeting seniors who may not have the ability to pay.

Chapter 5. Conclusions

COMMITTEE RECOMMENDATION

The transit feasibility study Steering Committee recommended presenting the city-operated demand response concept to the City Council for consideration. Considerations resulting in this decision included:

- City Operation – A city operated service would provide for the greatest level of local control over day-to-day operations. To be determined in the future is whether a new city department is most logical or whether responsibility for transit operations would be added to one of the existing departments.
- Initially, advance the demand response service concept with five vehicles in service and one spare. This alternative was considered to provide the most appropriate fit for the community and provided flexibility in the level of day-to-day and time of day service. The conclusion of the Steering Committee was starting with city-operated demand response service will provide the most flexibility. As the vehicles anticipated for demand response or deviated fixed route service are the same, should there be support and demand in the future, migrating the concept to deviated fixed route would not require a substantial cost to retrofit the fleet. Figure 33 displays the service areas.
- Continue to work with V-Line to identify a location for and the personnel needs for a ChicaGo Dash stop in Hobart. As the route presently travels through Hobart on State Road 130/US 6/Hobart Avenue/Randolph Street, the most critical elements required are:
- Identifying a location for a park-and-ride lot that provides adequate parking and has convenient access/egress for the ChicaGo Dash vehicle. From V-Lines perspective, the preferred location would include a controlled intersection with State Road 130/Hobart Avenue to facilitate more reliable access to/from a station/stop site. The primary benefit to Valparaiso ChicagGo Dash users is the relatively competitive travel time to/from downtown Chicago. Time added to stop in Hobart will reduce the utility for Valparaiso users. Thus, for a Hobart stop to be viable in the concept, the travel time added must be kept to a minimum, which a signal or a roundabout on State Road 131/Hobart Avenue would support. Most viable locations are likely south of US 6.
- Addressing ticketing and fare collection. Presently, a Valparaiso Planning Department staff member is responsible for the day-to-day ticketing and fare collection for users coming out of Valparaiso. Establishing a stop in Hobart would require similar tasks be completed at the new stop and Valparaiso cannot provide staff.

Figure 34 displays the route concept.

Figure 33. Committee Recommendation for Hobart Demand-Response Service

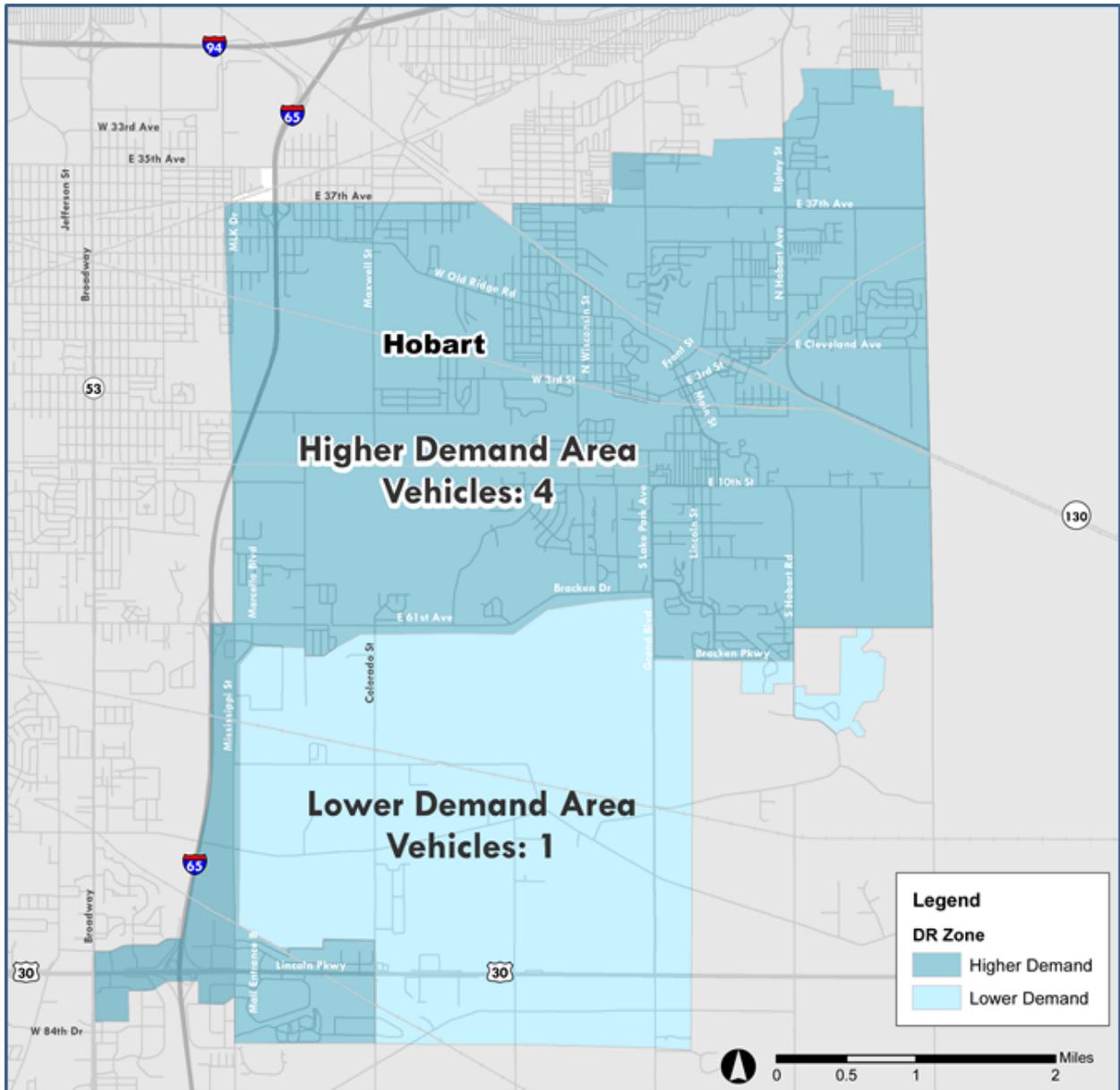
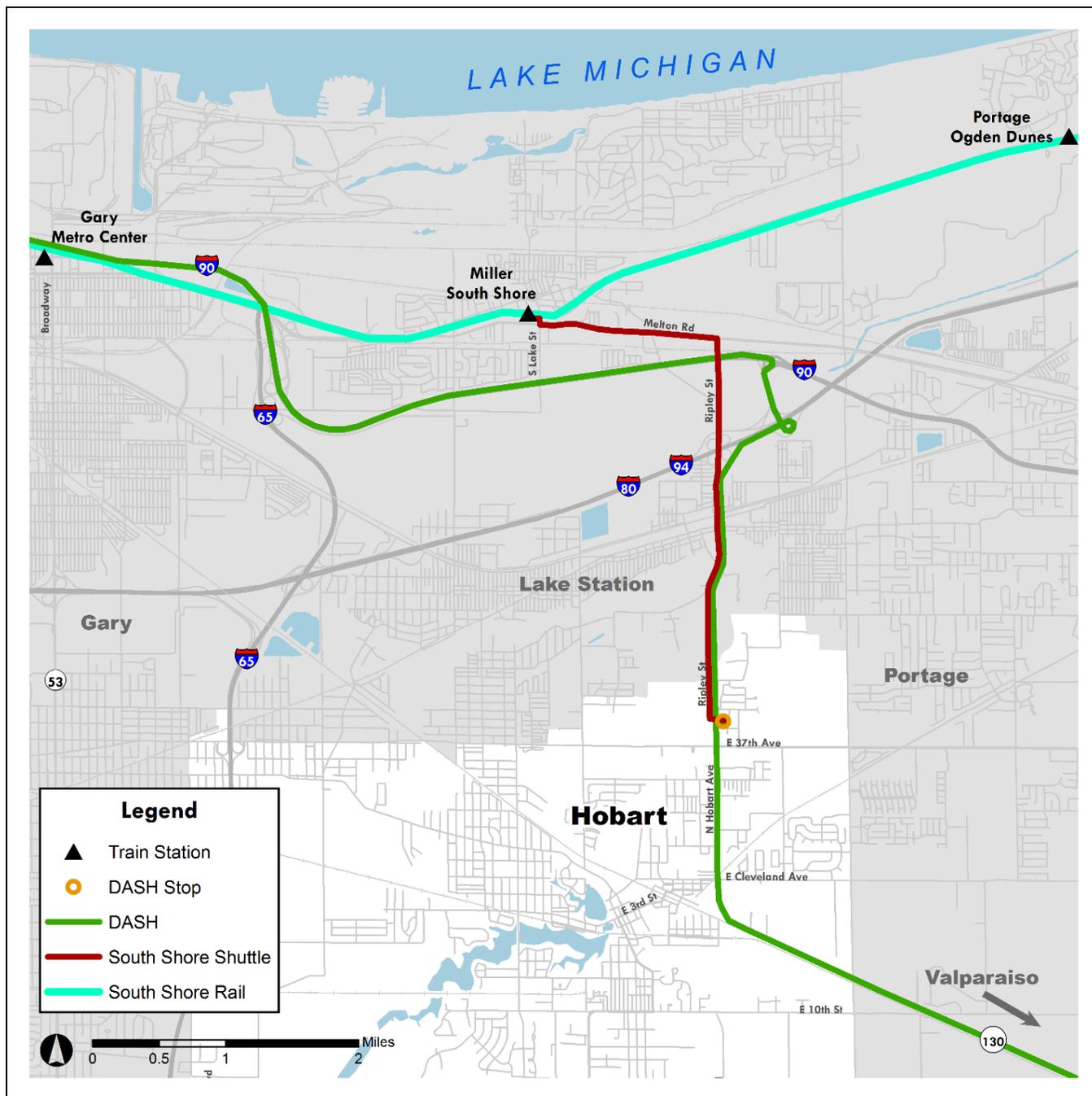


Figure 34. Committee Recommendation for Commuter Service from Hobart



Overview of the Recommended Demand Response Concept

Listed below are the general parameters of the recommended concept:

- **Service Concept:** The potential for flexibility in operations was the principal reason for recommending the demand response concept. There is the assumption in the community there are two distinct markets to serve:
- Commuters to/from the South Shore Line station at Miller.
- Local residents traveling principally within the Hobart city limits.

In Hobart, the assumption is the two markets support the demand response operating concept. The commuter market is assumed to be an early morning (6:00 AM to 7:00 AM) and evening (5:00 PM to 7:00 PM) market, while the local market is anticipated to have its highest demand in the 8:00 AM to 5:00 PM time period. Thus, the two markets can be served by the same vehicles, which reduces the need to establish a unique fleet for each market. The resulting 12 to 13 hour service day would, however, result in the need to expand the driver pool.

- **Hours of Service:** Service hours in the recommended concept are as follows:
 - 6:00 AM to 8:00 AM – Commuter service from a central location in Hobart to the South Shore Station at Miller. Operating two vehicles during the period would provide access to four westbound South Shore Line trips leaving the Miller Station. The latest departure from the Miller Station of 7:24 AM would still allow vehicles in commuter service to make the transition into local service for trips as early as 8:00 AM.
 - 8:00 AM to 5:00 PM – General service to local customers in Hobart.
 - 5:00 PM to 7:00 PM – Commuter service from the South Shore Station in Miller to a central location in Hobart. The first PM South Shore trip from Chicago that could be accommodated arrives at 5:07 PM, with three more trips arriving at 6:05 PM and 6:21 PM and 6:31 PM. To provide one more run in the evening Hobart commuter service would need to be extended until at least 7:30 PM
- **Days of Operation:** Monday through Friday – The expectation of a city operated system is that if Saturday and/or Sunday service is requested in the future, the City Council could make a decision to add hours either of these days without needing to renegotiate the contract with a vendor.
- **Required Vehicles in Operation:**
 - Commuter Service Hours: Two vehicles.
 - General/Local Service Hours: Five vehicles.
- **Annual Operating Cost:** \$735,000 with approximately \$162,000 from the city.
- **Capital Cost:** 6 vehicles (5 in operation + 1 spare) x \$70,000 = \$420,000. The assumption is approximately 80 percent of capital costs would be funded through federal and/or state grant programs. Thus, approximately \$84,000 in local matching funding would be needed for vehicles. An additional \$10,000 in local costs for capital improvements were estimated for the park-n-ride facility enhancements. It should be noted that capital improvement costs represent the cost of a shelter for passenger waiting and does not include access intersection or parking area improvements.

- Fares: A fare of \$1.25 to \$1.75 for a full fare adult ride is a reasonable range based on peers across the state. Reduced fares for children, students, seniors, low-income riders, and persons with a disability of \$0.65 to \$0.85 is within the typical range for similar systems.

Transit Connection

The City of Portage has also been conducting a similar transit feasibility study with recommendations for a deviated fixed route. There has been some interest in connecting the recommended routes for Portage with transit in Hobart. If these routes are connected, a timing study is recommended to determine the best way for all routes to meet in a common location – possibly the intersection of US 6 and Willowcreek Road - so that passengers can easily transfer between routes.

Marketing Plan

Adopting an effective marketing plan is important for the success of a new transit service. A marketing plan comprises of the concept, scope and schedule.

- The marketing concept will include preparing the marketing messages and materials that describe the type and quality of the transit service along with fare structure and the accessible destinations. Usually, various forms of media, ranging from radio and newspapers to circulars and handbills are used for transit promotional and public awareness campaigns. This may include various advertising and promotions such as media coverage of milestones (e.g., delivery of the buses, start date of initial service, etc.), groundbreaking ceremonies, news releases, speakers' bureaus, service bulletins, and event marketing.
- The scope of marketing plan is mainly the distribution extent of promotional and informational media in and around the transit service area. Information about the system (e.g., fare and type of available service) will also be made available in as many convenient locations as possible (e.g., senior centers, major retail stores, government complexes, and educational institutions, major employment sites, and social service agencies). Facebook pages for the city and other web based portals are also a good way to provide information, especially to choice riders.
- The schedule for marketing plan will include the timeline of different promotional and educational activities during the initial onset of transit service and over the period of two to three years.

Chapter 6: Interim Concept Operating Proposals

Based on discussion at the March 29, 2017 meeting with the Hobart Mayor, city staff and NIRPC staff, the consultant team has prepared alternate interim or short-term operating concepts and cost estimates associated with each. The operating plans both assume a two-vehicle system operating between eight and 12 hours per day on weekdays throughout the year. The eight-hour service day reflects a concept that would focus on serving seniors, while the 12 hour operating day alternative would also include service for morning and evening commuters. Key differences between the system concepts are:

- Contracted Operations with Internal Management by Current Staff:
 - A current staff member from a city department would be responsible for service oversight, managing the contractor, and reporting coordination with NIRPC.
 - Reservations and dispatching would be contracted to an outside vendor such as South Lake County Community Services.
 - Driving would be contracted to an outside vendor such as South Lake County Community Services.
 - Maintenance services would be contracted to an outside vendor such as Lake County Community Services.
- Directly Operated through a New Department or Subdivision of a Current Department:
 - A new department head or a subdivision manager would be added to the staff of an existing department would be hired. The department/ subdivision would have one full time employee.
 - Drivers would be hired as part-time employees with enough staff added to cover two vehicles operating for eight to 12 hours per day on weekdays and no persons scheduled for more than 28 hours per week.
 - Reservations and dispatching would be completed by part-time employees.
 - Vehicle maintenance would be completed at the city garage by city employees. The added workload would not likely require adding new staff.

CONTRACTED SERVICE COST MODEL ASSUMPTIONS

Listed below are the key assumptions and parameters incorporated into the alternate contracted service concepts:

- Daily hours of service: Two alternates of 8 hours or 12 hours.
- Operating days per year: 255
- Vehicles in operations: Two each day.
- Cost per hour: \$40 – Value reflects the current South Lake County Community Services operating rate, which is being used as a surrogate for Hobart service. A bid process will be required in obtaining a contractor. The \$40 per hour rate is assumed to cover:
 - Driver costs
 - Reservations and dispatch
 - Vehicle maintenance

DIRECTLY OPERATED SERVICE COST MODEL ASSUMPTIONS

Key assumptions on variable costs incorporated into the directly operated cost model were derived through review of peer data for East Chicago and South Lake County Community Services National Transit Database information. The primary assumptions incorporated in the cost estimate are listed below:

- Vehicle Operations:
 - Drivers:
 - Drivers assumed to make \$12.00 per hour (and no fringe benefits)
 - 6,120 driver hours (2 buses in operation x 12 hours per day x 255 days in operation)
 - Dispatchers:
 - Dispatchers assumed to make \$14.00 per hour (and no fringe benefits)
 - 3,060 dispatch hours (1 dispatcher x 12 hours per day x 255 days in operation)
 - Fare Collection:
 - Fare collector assumed to make \$14.00 per hour (and no fringe benefits)
 - 255 fare collection hours (1 hours per day x 255 days in operation)

- Vehicle Maintenance:

All maintenance completed at city garage. The transit department would pay for all work completed on buses, but garage administration is not included in this estimate.

- Mechanics:
 - Mechanics assumed to make \$25.00 per hour (and 1.5 multiplier for fringe benefits)
 - Mechanical service hours: 0.012 per mile
- Material Costs:
 - Fuel: 2.25 per gallon
 - Parts and supplies: \$0.059 per mile
 - Tires and tubes: \$0.017 per mile
 - Utilities: \$0.038 per mile
- Administration:
 - A full-time position of Transit Manager would be established. As a full-time position, a factor for the benefit package would need to be included in the cost estimate. A multiplier of 1.5 times the annual wage was applied to account for fringe benefits.
 - Cost for grants and planning absorbed into the planning department, with zero cost.
 - Material Costs:
 - Administrative materials: \$1,000
 - Casualty and Liability: \$0.077 per mile

ANNUAL OPERATING AND MAINTENANCE COST ESTIMATES FOR ALTERNATE OPERATING CONCEPTS

Table 11 documents the estimate annual operating cost associated with each of the potential operating concepts (contracted service or directly operated service) and two assumptions on the daily operating hours.

Observations from the information in the tables include:

- Contracting service is the lower initial cost alternative of the two, for either the eight hours or 12 hours per weekday operating concept.
- As more hours of service are added, the cost differential is narrowed as administration costs are fixed, not affected by the hours of service.
- The cost differential is also impacted by the number of dispatchers/reservationists. As more vehicles are added to the system (and presumably more trips are arranged), more dispatchers/reservationists will need to be added. The number of staff in this position was constant in both scenarios.
- As the system grows/expands, a part-time, or possibly a full-time, supervisor position may need to be included in the Contracted Service alternative for the purposes of managing the contractor. This cost was not included in the model presented.

Table 11. Cost Estimates by Operating Concept

DIRECTLY OPERATED TRANSIT SERVICE										Vehicles: 2											
										Operating Hours/Weekday: 12											
Labor	Employees		Hourly Pay	Pay Hours	Labor Cost	Fringe Multiplier	Total Labor Cost														
	Part-time	Full Time						Service Miles	MPG	Gallons	Cost per Gallon	Total Material Cost									
Director		\$1			\$60,000	1.50	\$90,000														
Drivers	\$6		\$12	6120	\$73,440	1.00	\$73,440														
Dispatch	\$3		\$14	3060	\$42,840	1.00	\$42,840														
Garage Administration ¹					\$0	1.00	\$0														
Mechanics ²			\$25	979	\$24,482	1.50	\$36,723														
Fare collection ¹	\$1		\$14	255	\$3,570	1.00	\$3,570														
Grants/Planning ¹					\$0	1.00	\$0														
Total																					
Materials																					
Fuel																					
Vehicle Parts and Supplies																					
Tires and Tubes																					
Casualty and Liability																					
Utilities																					
Administration																					
Total																					
\$281,401																					

DIRECTLY OPERATED TRANSIT SERVICE										Vehicles: 2										
										Operating Hours/Weekday: 8										
Labor	Employees		Hourly Pay	Pay Hours	Labor Cost	Fringe Multiplier	Total Labor Cost													
	Part-time	Full Time						Service Miles	MPG	Gallons	Cost per Gallon	Total Material Cost								
Director		\$1			\$60,000	1.50	\$90,000													
Drivers	\$6		\$12	4080	\$48,960	1.00	\$48,960													
Dispatch	\$3		\$14	2040	\$28,560	1.00	\$28,560													
Garage Administration ¹					\$0	1.00	\$0													
Mechanics ²			\$25	653	\$16,321	1.50	\$24,482													
Fare collection ¹	\$1		\$14	255	\$3,570	1.00	\$3,570													
Grants/Planning ¹					\$0	1.00	\$0													
Total																				
\$219,124																				

CONTRACTED TRANSIT SERVICE

Annual Revenue Hours	Hourly Rate ³	Annual Operating Cost
6,120	\$40	\$244,800

COST COMPARISON BETWEEN CONCEPTS

CONTRACTED TRANSIT SERVICE

Annual Revenue Hours	Hourly Rate ³	Annual Operating Cost
4,080	\$40	\$163,200

COST COMPARISON BETWEEN CONCEPTS

Notes
 1 - Assumes these positions would be absorbed within existing Hobart.org chart
 2 - Assumes 0.012 service miles for every hour of vehicle maintenance

Note
 3 - Hourly Rate reflects South Lake County Community Services estimated OPERATING cost rate. Does not include cost of purchasing vehicles.

Note
 3 - Hourly Rate reflects South Lake County Community Services estimated OPERATING cost rate. Does not include cost of purchasing vehicles.



Appendix A: Additional Survey Comments

“OTHER” TRIP PURPOSES FOR WHICH PEOPLE WOULD USE TRANSIT

- Airport, Chicago
- Anything not covered by the other options
- Chicago
- Chicago
- Dining , drinking downtown
- Errands, such as bill pay. I am 100% opposed to any increase my taxes to provide a transit service for SHOPPING or RECREATIONAL EVENTS. Those are optional as it is and residents should not have to pay for such things.
- Events to other local areas in N.W.I.
- Family and friend house visits. My kids are usually walking to the other end of town just to visit their friend on days I cannot take them. It would be easier and safer for them to get around. Or when my kids like a lot of other miss their school bus and their parents are already gone to work.
- Family visits
- Food
- Friend & relatives homes, post office
- Getting home safely.
- Going to a relative’s house
- Going to Indianapolis or south bend
- Hospital
- I do not want or need transit. I have no need to rank.
- I would not use this transit. I have my own transportation and do not need to increase my personal expenses to support an unnecessary misuse of public funds!!!!
- I would use transit to attend friends’ homes, I could be dropped off nearby where they live. I’m disabled. I live on county line rd. and the big problem I face is Lake County disabled services won’t cross County Line Road. Lake won’t come to Porter and Porter won’t come to lake to pick me up. I’m stuck.
- I wouldn't take the transit, I am answering mostly for elderly. I do have a concern to school events or festivities, concerns of course of who or what is being brought into These events as is mostly our children at our football stadium as well at festivities at the band shell. I always feel safe roaming as my older children can safely adventure off. Parents needing attend or be able to begin attending conferences at our schools do sound good for those less fortunate, also may bring more education as well towards certain parents. Again our Games n Festivities at the band shell bring a concern. Doctor and Dental appointments do sound as a terrific idea I believe.
- If my taxes increase because of a transit I will be moving out of Hobart!!!!

- If transit would be statewide or extended to other states, I would confident taking mini vacations.
- I'm not in school
- Indiana Dunes, state parks
- Lake Michigan parks
- Leisure trips were I am going in a group and we don't want to travel separately.
- Linking to regional transit systems to reach other areas.
- Maybe trips to Chicago
- MRC / YMCA
- Neighboring cities
- None
- None
- None. Just a waste of money because I will never see it in my (annexed) area.
- Not sure, but it might be something like museums, or just exploring, which could come under recreational, I suspect.
- Nothing particular comes to mind, but I rank medical visits last because none of our doctors' offices are in town.
- Parks, lakefront
- Pay bills have lunch
- Pay bills, banking and other business
- Restaurants
- Shopping and doctors
- Specifically a shuttle to the South Shore Line, the mall, to the Lake County government center
- Teen social agendas.
- Things with low parking availability.
- This question is bogus because I do not want public transportation for any of this.
- To Chicago
- to help to connect to downtown Chicago train transit
- To other cities or events.
- To take my kids to local parks
- Train station, organized trips around the area
- Train stations.
- Travel to Chicago
- Trip to my sister's home in Merrillville.
- Trips to and from the downtown district
- Trips to connect to other transit methods such as to the South Shore line
- Trips to the county fairs, trips to Chicago, trips to the South Shore train.

- Use of transit would depend entirely on locations and businesses serviced and hours available. I would be much more interested in transit service to other communities with amenities that Hobart lacks, such as transit to the Miller South Shore, for example.
- Visit family
- Visit family in that reside in Hobart
- Visit family/friends
- Visit friends and family
- Visit friends; banking
- Visiting family members
- Visiting others who I know in the city especially if they have an event and are tight on parking.
- Visiting the library or downtown. Being able to travel without my car.
- Visits to family on the other side of town.
- Visits w/family and friends.
- We don't work or go to school. Other trips would be to meet friends out for breakfast, lunch, dinner, a drink, etc.

“OTHER” METHODS OF PAYING FOR TRANSIT

- Add a fee on to local businesses
- Cash only or credit or debit cards.
- Charge the people who use the service, not those who do not.
- charge the users
- Choice. If the demand isn't there for it to self-sustain based on use, there is no justifiable reason to have one.
- Combo transit and user direct fee
- Decrease salaries
- Develop a monthly and/or yearly passes for those that use it most.
- Donations or taxes
- Donations/fundraisers/grants/fare for riding/sell monthly or annual ride passes
- Don't charge a universal fee. Pay per use.
- Events, field trips, fun stuff with a group.
- Federal / State transit money
- Fees apply to users only
- Find opportunities to cut items in the budget that are ineffective
- Find some other way to fund public transportation other than tax payer money. Grant money, private entities, just not tax payers.
- Fund it any other way than tax payers.
- Fundraising
- Grants
- Grants, private funding

- Have a monthly and/or yearly rate and pass for those who choose to use it regularly.
- Rededicate allocated funding
- I am against adding a tax to pay for something I won't use. Why can't there just be a fee you pay for usage?
- I don't want a transit option in Hobart.
- I will move if my taxes will increase
- Local transit fee PLUS (SMALL) Fare as one boards bus
- Local users can pay for the service as utilized
- Make people pay for it.
- Make the people who choose to use it buy passes to pay for things so those who will not use it do not have to pay for it.
- No funding - Mass transit is not needed.
- No public transit
- No taxes
- None
- None
- None. Do not want transit in our city. Only brings bad in
- Not Sure, But I Don't Want To Pay It.
- Not to
- Pay as you go.
- Pay as you go. Purchase prepaid cards.
- Pay as you use it.
- Pay per usage
- Pay per use. Not fair to charge every resident monthly or yearly when some may never utilize it.
- Pay to ride. City sales tax. Hobart Crossings would be a huge asset to this.
- Pay to use them, like a bus ticket
- Per ride fee; I don't feel the Hobart residents should pay for outside residence use
- Per ridership fee; I don't want to be taxed for mall shoppers from residents outside Hobart
- Privately funded. It's unlikely I'd ever use it and I certainly don't want to pay for it unless I am using it.
- Raise business tax or Grants
- See how other locales fund and if their models are successful first. Look locally to Valparaiso and Indianapolis, then similarly sized U.S. cities, then even overseas to like Germany which semi privatized its transit in 1994. Capital funding should be federal and state grants with minimal borrowing by a transit authority. For operating expenses how much of the fuel tax and other excise goes to alternative transport?
- Sell tickets and passes to bus riders
- Senior citizens living on fixed income cannot afford further charges to diminish their available funds

- Take it out of salaries
- Take it out of salaries
- The people who use it should fund it.
- Thought I read, in previous months of government grants, being used for this Green Project, reason the round about are being placed here in Hobart. I believe if the Grants were received, should be taken care of. Only during rides should there be a fee (or government voucher for those in need) should be the cost. (yearly rate) similar to the iPass.
- Usage fee
- User fee
- User fee only - don't charge people who don't use
- We don't need to tax working people for this service.