

Hard times run Transit District express off the road to prosperity

By MARK BERGSTROM
Sentinel Staff Writer

SANTA CRUZ — There was a time not too long ago when the road stretched endlessly ahead for the Metropolitan Transit District.

Ten years earlier a handful of old, red, white and green buses plied a handful of routes and carried a handful of elderly passengers. But in 1978 the Metro was a showcase of mass transit.

Santa Cruz Metro was carrying 3.4 million riders in 78. A major reason was a series of natural hubs — UCSC, downtown Santa Cruz and 41st Avenue — of education, commerce and residence.

Transit planners here thought they could push the system further by, as airlines are finding successful now, extending spokes from those major traffic hubs into less populated areas. They envisioned, for example, a local route network feeding into the Capitola Mall, where passengers could transfer to routes north to Santa Cruz or south to Watsonville.

There seemed to be community interest, so district directors asked county voters to approve a half-cent sales tax increase to fund expansion of the system. And, even though voters approved the Jarvis-Gann initiative to slash property taxes, they also approved the transit tax.

Since then, the number of buses in the fleet has more than doubled to nearly 100, whose destination curtains now read "Branciforte/El Rancho" and "South Felton" in addition to the bigger names. Those buses this year have carried more than 6 million passengers.

The federal government in the 70s was encouraging mass transit by doling out money for buses and providing operating subsidies.

Why, then, this morning were district directors faced with cutting more than \$420,000 from the \$11 million 1983-84 operating budget after already rolling back some of the service improvements to both rural and urban areas made since 1978?

According to General Manager Scott Galloway, a combination of factors has put the brakes on the bus system.

A major reason is that sales tax revenue — which funds more than 20 percent of the budget — has not kept pace with inflation the past three years.

Back in 1978, Galloway explains, sales tax revenue was expected to increase at about 10 percent a year. With inflation at about 7 percent, the district seemed to be assured about a 3 percent bonus each year to keep expansion going and going.

The state also was helping promote mass transit by extending the sales tax to new items and sharing .25 percent of the take with local bus systems.

In the past couple of years, inflation rose higher than the sales tax revenue as local consumers were forced to tighten their belts.

To make matters worse for the Metro, a change at the White House in 1980 brought a new president who has shown more interest in building highways for more cars than encouraging public transit. President Reagan announced an intent to totally eliminate federal subsidy of transit districts.

Congress, however, has resisted Reagan's attempts to eliminate the subsidy and this coming fiscal year (beginning July 1), Santa Cruz Metro is expected to get 90 percent of the federal aid it got this current fiscal year.

And, the state has stepped with money to help transit properties patch holes in their budgets caused by the federal funding cut.

To try to hold the line against shrinking resources last year, district directors doubled the basic bus fare from a

quarter to 50 cents, bringing in an average of 39 cents per rider when senior and school discounts and day passes are taken into account.

In March, transit district staff prepared a preliminary budget for the coming fiscal year. That budget is due to be adopted in June.

Staff felt by reducing frequencies on underutilized routes, mostly during late night and weekend periods, the district could make it through 1983-84.

But, a new snag has developed. Gov. George Deukmejian now wants to cut state support to transit, saying, in effect, that since the federal cuts have not been as great

as anticipated, transit districts this coming year won't need as much state money as planned.

Santa Cruz Metro now faces the loss of \$250,000 of its \$914,000 state funding, prompting this morning's budget session.

Directors this morning discussed a number of ways to save money here and there in the budget without having to further trim service or raise fares. Those ideas will be incorporated in the final budget proposal next month.

The only major consequence for riders is the district's intent to change the transfer system. Staff estimates the

district could boost revenue by about \$108,000 by abandoning its two-hour, timed transfer system in favor of a system which would not allow riders to use transfers to make round trips. A study shows riders are using transfers as "mini-day passes".

According to district figures, 25,812 more transfers were issued this February and March compared to the same months last year. Correspondingly, 10,000 to 13,000 fewer \$1 day passes were sold.

Finding a way to change the transfer system is the next order of business.

According to General Manager Scott Galloway, a combination of factors has put the brakes on the bus system. A major reason is that sales tax revenue — which funds more than 20 percent of the budget — has not kept pace with inflation the past three years.



Shop Leask's BIGGEST SALE of the SPRING SEASON! It's Our 91st ANNIVERSARY SALE

Our biggest sale of the season is happening now! Since we're 91 years old, we're celebrating with a wealth of savings throughout all stores. You'll find spectacular values on beautiful summer fashions, plus top selling merchandise for your household and decorating needs.

Listed below are a few of the fantastic savings awaiting you at Leask's. Remember, this sale lasts only through Sunday, so hurry in today and help us celebrate in the Scots tradition.

Sorry, no mail, phone, C.O.D. orders or deliveries.

SAVE 20% PETITE & MISSES COTTON DRESSES & SUNDRESSES

NRI, Rina, Sans Age & more. Petites 4-14 & misses 6-14.

SAVE 20% PETITE SPORTSWEAR

Liz Claiborne, Schrader Sport & Personal Petites. Blouses, pants, skirts, jackets, shorts and cotton sweaters. Sizes P-M & 2-14.

Misses Dresses, Second Floor & Mid County, Aptos

SAVE 25% WOMEN'S TEDDI GAUZE TOPS

Two styles, in natural, yellow, fuchsia, purple & turquoise. Sizes 10-18.

SAVE 25% WOMEN'S SUN & SAND COORDINATES

Calcutta pants, jackets & skirts. Sizes 8-18.

SAVE 1/3 WOMEN'S JOG SUITS

Velour Ultrasport in white, turquoise, blue, melon & fuchsia. Sizes XS-XL.

SAVE 30% WOMEN'S FARAH SLACKS

Casual poly/cotton, belted pant in white, khaki & navy. Sizes 6-16.

Sportswear, Main Floor & Mid County, Aptos

SAVE 20% ALL JUNIOR SWIMSUITS

Esprit, Sassafra, Jantzen, Daffy & Babylon. Striped & solid one & two piece suits. Sizes S-L & 5-13.

SAVE 25% GIRLS' ESPRIT COORDINATES

Stylish shorts, knit tops & pants. Girls 4-14 & teens 6-14.

SAVE 30% GIRLS' KNIT TOPS

Little Topsy & Knitwaves short sleeve t-shirts & tank tops. Girls 4-14.

SAVE 25% BOYS' OCEAN PACIFIC T-SHIRTS

Crew neck, poly/cotton, screened t-shirts. Boys 4-7 & 8-14 or S-XL.

SAVE 25% BOYS' SWIM TRUNKS

Ocean Pacific, Izod & Healthtex nylon & poly/cotton trunks. Boys 4-14.

SAVE 25% LEVI'S DENIM

Shrink-to-fit denims 25-26 waist. Limited to stock on hand.

Children's Shops, Second Floor (Downtown Only)

SAVE 20% ALL MEN'S SPORT COATS & DRESS SLACKS

Entire regular priced stock of Calvin Klein, Izod, PBM, Haggar & Pendleton fine tailored coats & slacks. Coat sizes 38-46 & pants 30-42. Downtown Only.

SAVE 20% ON MEN'S SHORT SLEEVE SPORT SHIRTS

Selected Da Vinci & Mr. California solid & plaid poly/cottons. Sizes S-XL.

SAVE 20% ALL MEN'S & STUDENTS' O.D. SHIRTS

SHOP
TONIGHT:
STORES OPEN
UNTIL 6:00 P.M.