**Obey Creek Financial Analysis   
for Transit costs based on Trip Generation Analysis**

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*Last revised: May 1, 2015 (Previous revision: April 7, 2015)*

**Transit Trip Generation**

The revised Transit costs are based on the trip generation data developed by HNTB shown in the following table:

Table 1. Comparison of Potential Obey Creek Ridership to Projected 2022 NS Route Boardings

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Northbound NS Route | Obey Creek  Riders | 2022 Projected NS Boarding Totals | Overall  Total | Obey Creek% of  Total Boardings |
| AM Peak Hour | 43 | 239 | 282 | 15% |
| Noon Peak Hour | 42 | 110 | 152 | 28% |
| PM Peak Hour | 114 | 275 | 389 | 29% |
| Daily | 1282 | 2,288 | 3570 | 36% |
| Southbound NS Route | Obey Creek  Riders | 2022 Projected NS Boarding Totals | Overall  Total | Obey Creek% of  Total Boardings |
| AM Peak Hour | 67 | 302 | 369 | 18% |
| Noon Peak Hour | 44 | 136 | 180 | 24% |
| PM Peak Hour | 97 | 254 | 351 | 28% |
| Daily | 1282 | 2,199 | 3481 | 37% |

**Cost to Provide Transit Service**

Chapel Hill Transit staff used the trip generation numbers shown above to develop annual cost estimates for meeting service demand for the proposed new development. The following table shows the estimated annual cost to provide Transit service for the “original development plan” at full build-out. This estimate assumes future bus purchases will be financed and the cost spread over the useful life.

|  |  |  |  |
| --- | --- | --- | --- |
| Equivalent Number of: | | Annual Expense Per | Total Annual Expense |
| Buses = | 3 | $ 60,000 | $ 180,000 |
| FT Personnel = | 3.5 | 55,000 | 192,500 |
| Additional Costs (20% of above expenses) |  | 23,000 | 74,500 |
| **Total Projected Costs** |  |  | **$ 447,000** |

**Financial Analysis Update**

The following table shows the estimated revenues and costs associated with the proposed Obey Creek development for both the Original Development Plan (~~1,148,830~~ [typo] 1,478,830 sq. ft.) and the Minimum Development Scenario (680,000sq. ft.) updated using the transit costs calculated above. For the Minimum Development Scenario transit costs were pro-rated based on the difference in square footage.



Based on the preceding analysis (using updated transit costs based on trip generation data) revenues are projected to exceed the cost of extending services by a significant margin for both development scenarios as depicted in the following graph.

