



**TheRide**

**FY 2027  
Corporate  
Business Plan**

## Table of Contents

<b>1. Executive Summary</b>	<b>2</b>
<b>2. Strategic Planning &amp; Alignment</b>	<b>3</b>
2.1 Corporate Goals & Priorities .....	3
2.2 Current State .....	5
2.3 Strategic Context & Conclusions .....	7
<b>3. Strategic Goals &amp; Initiatives</b>	<b>8</b>
3.1 Excellence in Service Delivery & Customer Retention.....	11
3.2 Attract New Riders & Increase Ridership.....	15
3.3 Continuous Improvement.....	21
<b>4. Next Steps</b>	<b>26</b>
Performance Monitoring .....	27
<b>5. Feedback &amp; Input</b>	<b>28</b>
<b>6. Appendices</b>	<b>29</b>
Appendix A: Strategic Planning Process .....	29
Appendix B: Evaluating Potential Initiatives: Key Criteria .....	31
Appendix C: FY 2026 Performance .....	32
Appendix D: Ridership History .....	33

## Table of Figures

Table 1: SWOT Table .....	6
Table 2: List of Projects and Initiatives .....	10
Table 3: Project & Initiatives Table .....	25
Table 4: Ends Policies.....	29
Table 5: FY 2026 Performance Update .....	32
Table 6: Transit Network 2045 .....	34

## 1. Executive Summary

The Board of Directors sets the agency's strategic direction through formal written policies. In alignment with this direction, the CEO develops an annual Corporate Business Plan to ensure that the agency's resources support the Board's objectives. In January 2026, the Board revised its Ends policies, updating its overall expectations for TheRide. The CEO is currently reviewing this updated direction to ensure the agency's long-term objectives are fully aligned.

The purpose of the Business Plan is to serve as a framework for collaboration among the Board, staff, and the public, creating an opportunity to discuss priorities, initiatives and projects before the detailed budgeting process begins. **Stakeholder feedback is encouraged throughout this process to ensure this plan reflects the needs and expectations of the community.** Please share your input through [tellus@theride.org](mailto:tellus@theride.org).

Once finalized, the Business Plan will become the foundation for the development of the agency's annual budget, which staff presents to the Board for review and approval later in September.

Currently, the priorities, initiatives and projects of the FY 2027 Business Plan are focused on advancing the numerous capital projects outlined in the long-range plan, all while maintaining the same level of services, with no fare increase, and no changes to staffing levels.

The business planning process is expected to evolve over the next two years to clearly distinguish between projects that fund the annual budget and those that span through multiple years. The intended approach is as follows:

- **FY 2027 (Transition Year):** The primary focus will be on maintaining operational continuity, with emphasis on successfully advancing ongoing multi-year projects and initiatives.
- **FY 2028 (Strategic Launch):** Following a comprehensive review of the Board's updated policies, the agency will develop a modernized Strategic Plan and Work Plan. Additional details will be shared as this process progresses.

Similar to previous years, initiatives and projects will be organized in the categories below:

- **Excellence in Service Delivery & Customer Retention**
- **Attract New Riders & Increase Ridership**
- **Continuous Improvement**

## 2. Strategic Planning & Alignment

At TheRide, our Board of Director sets the direction through written policies<sup>2</sup>. The CEO then develops an annual Corporate Business Plan to align its limited resources with the Board’s goals, providing transparency into its strategic priorities, projects, and decision-making. TheRide’s goals-setting and strategy development process is outlined in the figure below, with full details in the appendix.



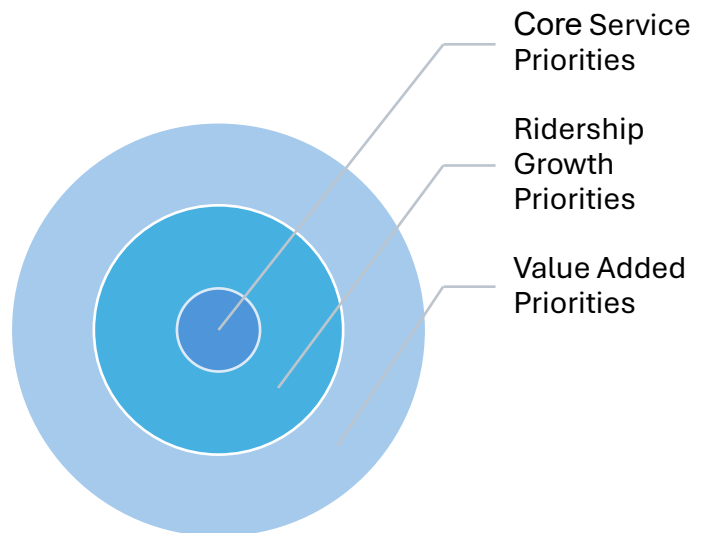
### 2.1 Corporate Goals & Priorities

The Board of Directors has defined the goals the CEO is to achieve (i.e., Ends Policies<sup>1</sup>).

Prioritization of goals is a necessary step as organizations balance ambitious goals with limited resources. Leadership can choose to set priorities in advance or let them emerge as daily decisions are made. Prudence suggests that the Board and CEO proactively set clear areas of focus to guide effective and transparent decisions proactively

By adopting Ends policies, the Board has already set broad goals for the agency. The CEO has been empowered to use their professional judgment to establish *relative priority* of those goals. In this Business Plan, the CEO has reviewed the New Ends policies and grouped them into categories as follows: Core Services, Ridership Growth, and Value Added.

The CEO’s prioritization of the Board’s Ends Policies are illustrated on the graphic and further below.



<sup>1</sup> The full Ends policies can be found in the appendix and the Board’s Policy Manual.

## **A. Core Service Priorities**

Policies grouped under the Core Service Priorities are those that mandate TheRide to provide equitable, safe, and convenient transportation options for **every individual within our service area**.

These policies go beyond standard operations by requiring active removal of barriers, or the provision of necessary accommodations, to ensure everyone within our service area irrespective of limitations can get to their intended destinations.

TheRide has the greatest level of control and impact with these policies.



**Institutional Stability** – The agency must continue to be able to deliver results.

- a) **Public Support (1.5)** – Public and political support, not necessarily from special interests. Competence and social mission.
- b) **Value and Efficient Stewardship (1.0)** - With limited resources, we must be cost-effective to create the greatest value for the largest number of people.

**Excellence in Service Delivery & Social Mission Populations** – Our mission starts with the daily experience, where over 90% of our resources are dedicated to delivering reliable service. Sustaining a world-class experience for our current riders is the most effective way to expand our reach and impact the community. If we cannot retain riders, there is little point in making the effort to attract new ones.

- a) **Serving Low-Income Residents (1.3.1)** - People who are not able to drive, occasionally or at all, due to income limitations.
- b) **Serving all people irrespective of limitations (1.3.2)** - People with disabilities, impairments, seniors, minors, youth, non-English speakers, and visitors.
- c) **Economic: Workers, Students, Residents, etc. (1.2)**– Every worker, student or resident we serve achieves social and economic mobility for personal betterment.
- d) **Customer Satisfaction and Feelings of Safety (1.3.3, 1.2.1)** - Descriptive qualities of an attractive transit service, not outcomes themselves.

## **B. Ridership Growth Priorities**

These policies address strategic growth and systemic advancement in order to **intentionally scale our reach and increase ridership**. This will be achieved by expanding services and infrastructure, leveraging policy-driven demand, and integrating our service area with a broader range of mobility options. These initiatives

demand a significant investment of personnel, funding, and technical expertise. Since these results depend on collaborative efforts, extra funding, and input from various parties, the rollout may take more time than projects entirely under TheRide’s control. The specific execution of most ridership growth focused efforts is outlined in the Long-Range Plan. In addition, TheRide consistently monitors potential chances to partner with local, state, and federal allies to move these policy priorities forward. The specific Ends policy is identified below.

- a) **Increasing Ridership (1.2)** – This means either increasing trips by the transit-dependent, attracting people from cars or reaching those beyond the service area.

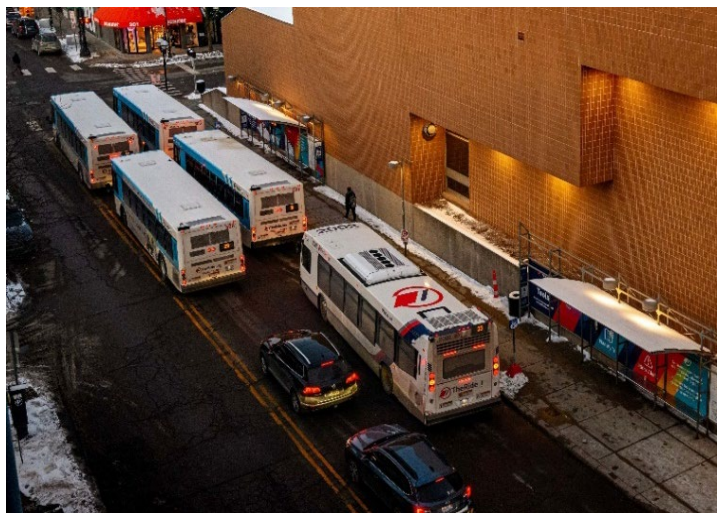
**C. Value Added Priorities**

Policies grouped under value-add priorities go beyond the essential business operations to **enhance operational depth and further contribute to community vitality**. While important and board-directed, the complexity of these initiatives require careful sequencing while maintaining primary focus on daily service delivery and ridership growth.

- a) **Service area is part of an integrated transportation ecosystem (1.1)** –

Expanding beyond the service area in a way that favors active, shared, micromobility and regionally connected transportation

- b) **Positive impacts to the environment and carbon emissions (1.4)** – Attracting more people from cars is the primary means for transit emission reduction. Initiatives to reduce our own emissions are also accounted for here.



**2.2 Current State**

The Executive Team has reviewed and updated the strategic context in which we operate. Results of that discussion are provided in the SWOT (Strengths, Weaknesses, Opportunities, Threats) table below.

<p style="text-align: center;"><b>Strengths</b></p> <ol style="list-style-type: none"> <li>1. Financial Health &amp; Structural Integrity <ul style="list-style-type: none"> <li>• Fiscal resilience sustained by a relatively stable tax base and funded reserves.</li> <li>• Debt-free financial position with no pension or infrastructure liabilities.</li> <li>• Strategic transition of future plans into shovel ready projects.</li> </ul> </li> <li>2. Governance &amp; Leadership <ul style="list-style-type: none"> <li>• Effective alignment between the Board and Executive leadership. Clear direction and accountability.</li> <li>• Effective governance structure at the Board level.</li> <li>• Clear vision with the Long-Range plan.</li> </ul> </li> <li>3. Operational Excellence <ul style="list-style-type: none"> <li>• A respectful, tenacious staff culture that is adaptable to evolving community needs.</li> <li>• Effective social media presence and marketing campaigns.</li> <li>• Reliable, high frequency service tailored to meet evolving rider needs.</li> </ul> </li> <li>4. Strategic Partnership &amp; Influence <ul style="list-style-type: none"> <li>• Growing capacity to influence transit favorable decisions with key partners e.g., MDOT and RTA.</li> <li>• Strengthened partnerships with local and state agencies e.g., City of Ypsilanti and MDOT.</li> </ul> </li> </ol>	<p style="text-align: center;"><b>Weaknesses</b></p> <ol style="list-style-type: none"> <li>1. Workforce &amp; Capacity Limits <ul style="list-style-type: none"> <li>• Limited staff capacity requires strict prioritization and clear trade-offs.</li> <li>• Underdeveloped training programs and skill gaps may inhibit efficiencies.</li> <li>• Limited ability to improve internal processes with current tools and structures.</li> </ul> </li> <li>2. Infrastructure &amp; Financial Constraints <ul style="list-style-type: none"> <li>• Inadequate garage space limits service and fleet expansion.</li> <li>• Inadequate funding for all LRP projects e.g., BRT, and garage expansion.</li> <li>• ITS &amp; fare collection technology are outdated, limiting operational efficiencies</li> </ul> </li> <li>3. Oversight Risks <ul style="list-style-type: none"> <li>• Oversight of passthrough grantees.</li> </ul> </li> </ol>
<p style="text-align: center;"><b>Opportunities</b></p> <ol style="list-style-type: none"> <li>1. Ridership Potential <ul style="list-style-type: none"> <li>• Under-tapped markets such as growing university enrollment (UM) and population growth.</li> <li>• Ample passenger capacity in off-peak hours could increase ridership without increasing costs.</li> <li>• Park &amp; Rides, Non-Emergency Medical Transportation (NEMT), and bulk fare programs.</li> </ul> </li> <li>2. Community Support &amp; Strategic Partnerships <ul style="list-style-type: none"> <li>• Good reputation and strong community support.</li> <li>• Strong political &amp; advocacy synergy with state and national advocates (MPTA, APTA).</li> <li>• Institutional collaboration with the DDA, City of Ann Arbor, and local school districts.</li> <li>• Opportunity to engage with TRU and grassroots organizations to build momentum for future initiatives.</li> </ul> </li> <li>3. Funding <ul style="list-style-type: none"> <li>• Partnering with MDOT on grants and projects strengthens opportunities for TheRide’s advancement.</li> <li>• Availability of competitive grants for capital projects.</li> <li>• Next millage may provide an opportunity for additional funding.</li> </ul> </li> <li>4. Infrastructure &amp; Technology Innovation <ul style="list-style-type: none"> <li>• Transit-friendly plans and policies (like bus lanes) have the potential to support agency mission.</li> <li>• New technologies can improve customer experience and productivity.</li> <li>• Opportunity to explore deregulatory trends to streamline operations e.g., NEPA requirements.</li> </ul> </li> </ol>	<p style="text-align: center;"><b>Threats/Challenges</b></p> <ol style="list-style-type: none"> <li>1. Funding &amp; Economic Instability <ul style="list-style-type: none"> <li>• Macroeconomic risks such as inflation, recession, and rising costs.</li> <li>• Potential funding volatility due to uncertain federal and state funding, direct or indirect cuts and local tax capture reducing local revenue.</li> <li>• Dependency on 5-year property tax cycles and the risk of ballot competition or voter fatigue.</li> </ul> </li> <li>2. Evolving Urban Trends <ul style="list-style-type: none"> <li>• Work-from-home, e-commerce undermine demand for transit.</li> <li>• Unmet social issues spilling into transit spaces. (Security concerns at terminals).</li> <li>• Road space competition, such as bike lane expansions can inadvertently slow down bus service.</li> </ul> </li> <li>3. Political &amp; Stakeholder Alignment <ul style="list-style-type: none"> <li>• Growing public and political expectations exceed available resources.</li> <li>• Overlapping service area demand and supply with other providers.</li> <li>• Competing local and regional priorities may harm TheRide.</li> </ul> </li> </ol>

Table 1: SWOT Table

## 2.3 Strategic Context & Conclusions

Based on the SWOT analysis, TheRide is stable but meeting a ceiling. The agency is financially and operationally steady, but it has reached a physical (e.g., inadequate garage space), human capital (staff bandwidth) and technological plateau that inhibits further growth.

- **Organizational Capacity:**

Given limited organizational capacity, the Executive Team has decided not to introduce new projects in the FY 2027 Business Plan and will instead continue advancing FY 2026 initiatives. While daily operations remain the top priority, we will also make steady progress on Board policies through targeted initiatives, with a realistic assessment of the organization's workload capacity.

- **Construction at BTC and Commitment to Quality Service Delivery:**

Construction at the BTC is a major step forward, but it brings temporary challenges to our daily operations. Navigating these changes safely requires the coordination of multiple departments further stretching our dedicated team. Despite the changes, TheRide remains committed to providing reliable high-quality services.

- **Strategic Planning:** In the next Business Planning cycle, the Corporate Business Plan will be provided in two distinct parts -a strategic plan and an annual work plan. The Strategic Plan will serve as our stable multi-year foundation, while the Annual Work Plan will capture the projects and initiatives that directly inform the budget. This approach allows us to stay focused on our core mission while clearly identifying the work that necessitate budget adjustments. It also facilitates a more targeted public dialogue, ensuring feedback is concentrated on the fiscal drivers.

- **Partnerships and Collaborations:** Leveraging strategic partnerships at the local, state and federal level has strengthened opportunities for the TheRide's advancement. Staff has been successful in applying for grants in order to deliver on the Long-Range Plan projects e.g., the YTC terminal.



- **Infrastructure and Technological Constraints:** TheRide's growth and efficacy are currently hindered by inadequate facility space and outdated technical infrastructure. At the moment, we are analyzing options to optimize our physical footprint to support future expansion and have developed a roadmap to modernize our technology.

### **3. Strategic Goals & Initiatives**

To address the strategic issues described above, TheRide's Executive Team have adjusted the initiatives in the Business Plan but not the overall goals and sub-goals. All projects and initiatives advance the Board's Ends and Executive Limitation policies, account for changes in our environment, and incorporate prudent internal improvements that will help enable success. It focuses on preserving existing services, exploring financial options, while still pursuing of the Board's goals (Ends) and the long-range plan projects all within the limits of available resources.

All FY 2027 initiatives are organized under the strategic goals and sub goals below:

#### **1. Excellence in Service Delivery & Customer Retention**

- A. Operational Excellence
- B. Financial & Administrative Excellence

#### **2. Attract New Riders and Increase Ridership.**

- A. Long-Term Infrastructure for Ridership Growth
- B. Service Enhancements
- C. Influence Demand for Transit

#### **3. Continuous Improvement**

- A. Team and Staff Development
- B. Internal Effectiveness & Efficiency
- C. Sustainability Planning

The following Work Plan lists major initiatives, changes, and activities that will advance the Board's stated goals. These projects have been developed using the planning tools found in the appendix. The projects and initiatives outlined below cover the next 20+ years and illustrate the key steps TheRide will take to advance the Board's goals.

## **Mission Focus & Project Types**

Every initiative we undertake directly or indirectly supports a Board goal or policy. Beyond these strategic priorities, we also manage essential work mandated by law, regulators, and funders, as well as the operational requirements necessary to maintain a healthy, mission-driven organization. The projects listed below identify the specific Board policies they advance; for more detail on our vetting and selection process, please refer to the appendices.

In the budget, priorities, projects and initiatives are categorized by their primary expense.

- **Capital projects** result in expenses for fixed equipment, buildings, vehicles, equipment, durable goods etc., as well as the staff time needed to implement those projects. This category includes large projects such as zero-emissions propulsion systems and bus rapid transit services, as well as small items like computer hardware and desks.
- **Operating projects and initiatives** result in all other expenses that are not capital, such as staff time (salaries and benefits), fuel, insurance, training, rentals, contracted services, legal fees, etc.



## **Timelines & Perspective**

All the recommended projects are laid out in a multi-year sequence as seen in the Gantt chart at the end of the section. It should be noted that all timelines are tentative and are dependent on funding, staff capacity and in other cases, collaboration with external stakeholders. This multi-year approach is necessary because 1) TheRide does not have the resources to advance every important project at the same time, 2) some work must naturally come before others, and 3) many of our infrastructure projects are complex and will take years to develop and implement.

## **Implementation & Budget Implications**

The projects in this business plan provide 20 years of context. However, the business plan presented in September is only a one-year budget (FY27).

**TABLE 2: LIST OF PROJECTS AND INITIATIVES**

<b>3.1 Excellence in Service Delivery &amp; Customer Retention</b>	<b>11</b>
<b>A. Operational Excellence</b> .....	11
1. Daily Service Delivery	11
2. Maintain State-of-Good-Repair	12
3. Fare Strategy Update	12
4. Bus Service Review	12
5. Bus Stop Improvements	13
6. FTA Compliance Reviews (Triennial review and Title VI review)	13
7. Passenger Information Systems Replacement Plan	13
8. Transit Signal Priority	14
<b>B. Financial &amp; Administrative Excellence</b> .....	14
9. Exploring Efficiencies	14
10. Federal Surface Transportation Reauthorization	14
11. Long-Range Plan Review & Millage Preparation	14
<b>3.2 Attract New Riders &amp; Increase Ridership</b>	<b>15</b>
<b>A. Long-Term Infrastructure For Ridership Growth</b> .....	15
12. Ypsilanti Transit Center Construction	16
13. Blake Transit Center Construction	16
14. Bus Garage Planning Studies	17
15. Bus Rapid Transit Planning Studies (Initial)	18
16. Transit Hubs and Priority Infrastructure Development	18
<b>B. Service Enhancements</b> .....	19
17. Bus Lane & Transit Priority Master Plan Update	19
18. Regional Park and Ride Planning	19
19. Assist with County Needs Assessment	19
20. Express Bus Pilot on North-South Corridor	20
21. Priority Transit Routes	20
22. Off-Peak Service Enhancements	20
23. On-Demand Coverage Enhancements	20
<b>C. Influence Demand for Transit</b> .....	21
24. Youth Ridership Opportunities	21
25. Transit-Oriented Development Guidelines	21
<b>3.3 Continuous Improvement</b>	<b>21</b>
<b>A. Team and Staff Development</b> .....	21
26. <i>Staff Needs Review</i>	21
27. Supporting Governance Excellence	22
<b>B. Internal Effectiveness Reviews</b> .....	22
28. IT Technology Upgrades	22
29. POSA Agreement Review	22
30. Football Service Review	23
<b>C. Sustainability Planning</b> .....	23
31. Step 1: Reduce Fleet Emissions (Hybrid Purchase)	23
32. Step 2: Facilities Emission Reduction Plan	23
33. Step 3: Study Options for Support Fleet and A-Ride	23
34. Step 4: Study Options to Reduce Consumption (Procurement Process Review)	24
35. Step 5: Study Options to Reduce Waste (Disposal Process Review)	24

A brief description of the above projects is provided in the respective pages below.

### 3.1 Excellence in Service Delivery & Customer Retention

Retaining customers is essential. We are committed to ensuring anyone who uses our services comes away with a satisfying experience, and a willingness to use our services again, and maybe tell a friend. The initiatives in this section are focused on TheRide's quality of service.

#### A. Operational Excellence

To retain existing customers, TheRide has to provide and maintain a service of excellence.

##### 1. Daily Service Delivery

Operating: Perpetual. Goal: 1.0-1.5

Although this Business Plan focuses on change initiatives, TheRide is primarily a service-delivery organization. Each weekday we provide about 1,200 bus trips, carry about 20,000 passenger trips. We operate or partner on six different services. We employ just under 300 staff that require recruitment, training, and support. We operate from five facilities that require upkeep and rehabilitation.

- *Daily service delivery consumes 99% of our annual operating budget.*
- 70% of our capital budgets are used to maintain and replace the vehicles, facilities and equipment we already have.
- *95% of our collective staff time is spent delivering daily services and making improvements.*

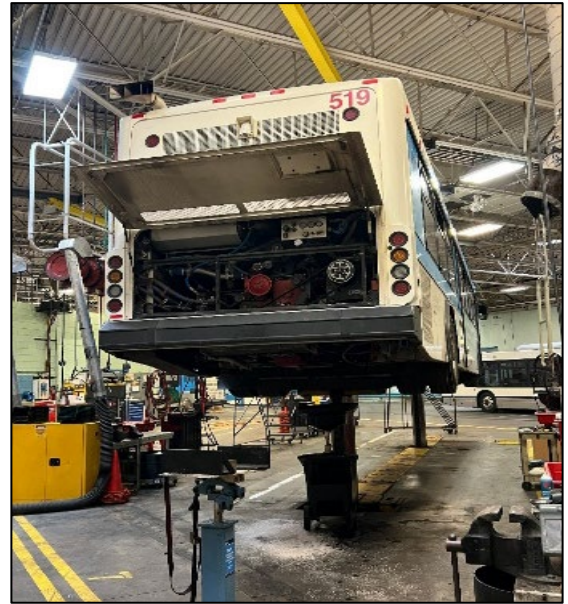
This would be enough for many organizations, but we also develop and execute plans for the future. Delivering daily services to our customers remains our highest priority and requires the bulk of our attention. Status: Ongoing.



## 2. Maintain State-of-Good-Repair

Capital. Ongoing. Goals: 1.0-1.5, 2.2.1, 2.4.3, 2.7.3

Safe, well-maintained, and efficiently managed equipment is essential for a capital-heavy industry like public transit. TheRide's services require 103 buses, 22 auxiliary vehicles, five facilities, a network of communication technology, computer equipment, and many other items. Routine maintenance and replacements are addressed in the annual budget. Overlooking maintenance on equipment increases long-term costs and may lead to a violation of FTA asset management compliance regulations. Status: Ongoing.



## 3. Fare Strategy Update

Operating. 2026-2027. Goal: 1.0-1.5, 2.1.4, 2.4.1

To better attract and retain customers, TheRide will conduct a study to review passenger fare policies by evaluating the impact of post-pandemic trends on ridership and market needs on pricing to update the fare structure. The study will inform decisions on improving fare collection systems, expanding real-time information, integrating with local providers and addressing first and last mile solutions. The last fare study was completed in 2018, with an update to that study completed in 2021, providing some foundational work to be incorporated into this project. Status: Study scoping initiated in 2026.



## 4. Bus Service Review

Operations. 2025- 2027. Goals: 1.0, 1.1, 1.3, 14., 2.1

TheRide is reviewing existing services to increase customer satisfaction, improve service reliability and cost-effectiveness, and address operational issues. Recommended plans for services changes will be developed for short-and medium-term implementation. Major reviews will happen every five years. Status: Initiated.

## 5. Bus Stop Improvements

Capital. 2020-2033. Goals: 1.3, 1.4, 2.1

Focused on reducing barriers to access and use of TheRide's transportation services, the agency is working on improving bus stop infrastructure such as concrete lead walks (sidewalk-to-curb paths), shelters, benches, and other amenities. TheRide targets to make 30 to 40 bus stops near sidewalks accessible each year, pending funding and issuance of permits. Our goal is to make all eligible bus stops near sidewalks wheelchair accessible (i.e., lead walk) by 2033. Status: On schedule.



## 6. FTA Compliance Reviews (Triennial review and Title VI review)

2026-2027. Goals 1.0-1.5, 2.5

FTA requires all direct and primary recipients to document their compliance with Department of Transportation's (DOT) Title VI regulations by submitting a Title VI Program once every three years. By the end of 2026, AAATA is due to submit its next Title VI Program to FTA. AAATA's Title VI Program ensures that minority, limited English populations (LEP), and low-income populations are considered in all aspects of service planning, community outreach and service delivery. Status: Begins 2026.

Additionally, The FTA performs a triennial review every three years, auditing all areas of transit agency compliance, including financial management, operational performance, civil rights regulations, and other regulatory adherence. Compliance indicates that the agency meets federal funding guidelines which are critical to maintain federal funding for transit capital assets and projects required for delivering services. The FTA conducted a review in FY2025, and the next review is scheduled for FY2028. Status: Next review scheduled for 2028.

## 7. Passenger Information Systems Replacement Plan

Capital. 2025-2027. Goal: 1.0-1.5, 2.1.2

TheRide's current real-time information and vehicle location technologies will reach the end of their financial lifespan in 2026. The replacement will leverage cutting-edge technology to enhance functionality and ensure a seamless implementation process. Status: Planning for the new technology will begin in 2025 and installation is expected in 2027.

## 8. Transit Signal Priority

Capital. 2024-2026, 2029-2030 Goal: 1.0-1.5

This ongoing project will work to increase automatic, real-time coordination between buses and traffic signals with the goal of allowing buses to pass through green signals more frequently when they are significantly behind schedule. The primary goal for this project is to improve bus on-time performance. This will make services more reliable and better able to retain riders. Phase One covering Route 4 in Ann Arbor is expected to be operational by mid-2026. Status: Phase 1 is almost complete. Phase 2 to begin in 2029

### **B. Financial & Administrative Excellence**

Successful sourcing of funds will be critical in the implementation of initiatives that lead to exceptional customer service and improve critical infrastructure. The projects in this section will focus on funding the initiatives in the FY27 Budget.

## 9. Exploring Efficiencies

Operating & Capital: 2025-2030. Goals: 1.0, 2.0, 2.4, 2.7.

Given rising uncertainty regarding the stability of state and federal funding, Executive Team will begin reviewing opportunities to control costs, reduce expenditure, and ensure all investments are adding commensurate value. This will include in-house and contracted expenses, as well as service and program design and service delivery. Status: Initiated.

## 10. Federal Surface Transportation Reauthorization

Operating: 2025-2027. Goals: 1.0, 2.0, 2.4, 2.5.2, 2.7.

Every five years the US government updates its funding levels for transit, highways, and other surface modes. Funding levels set here will affect TheRide from 2026-2031 and can directly increase or decrease capital funds available. It is also an opportunity to revisit various requirements that have been attached to those funds. TheRide will work to educate decision makers about the needs and opportunities in public transit directly and via industry trade associations. Status: Pending congressional vote

## 11. Long-Range Plan Review & Millage Preparation

Operational: 2026-2028. Goals: 1.0-1.5, 2.4, 2.9.1 & 3.2.9

The long-range plan, TheRide2045, was approved by the Board in 2022 after considerable public input. Since then, there has been important progress (e.g., YTC, BTC, ). Staff will conduct a 4th-year check-in to determine if any adjustments may be warranted in light of changes in travel behavior, inflation, changes in state and federal funding and broader economic uncertainty. This will include discussions with the Board about the timing, content and rate for the next millage. Status: Ongoing

### 3.2 Attract New Riders & Increase Ridership

The initiatives below are focused on improving the services, expanding infrastructure in order to attract more riders.

#### A. Long-Term Infrastructure For Ridership Growth

Expanding and rebuilding key pieces of infrastructure is critical for improving services, maintaining satisfaction, and attracting new riders. Infrastructure development can be frustratingly slow. However, ensuring sound project selection and development saves money and time by avoiding less-effective initiatives or having to re-do planning work. A critical path's sequence of major projects is illustrated and described below:



FIGURE 1 CRITICAL PATH FOR INFRASTRUCTURE

## 12. Ypsilanti Transit Center Construction

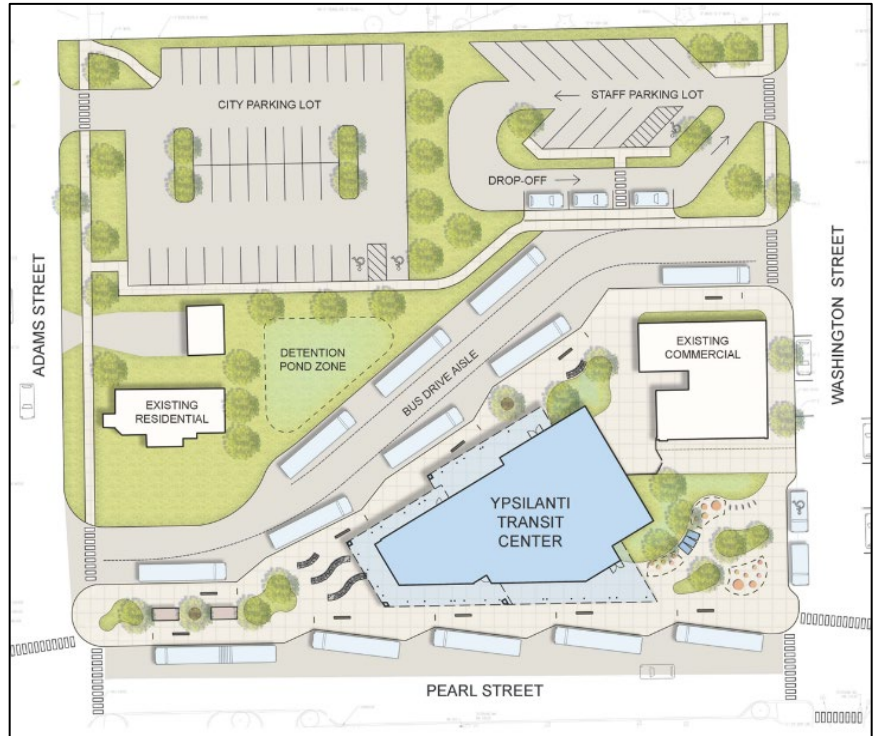
Capital. 2024-2028. Goal: 1.2, 1.3, 1.5, 2.5.2, 2.10.

TheRide completed conceptual planning and achieved NEPA clearance in 2025. TheRide has embarked on the next phases of the project in 2026, including land acquisition, detailed design and engineering, and bringing on a construction manager to assist in cost estimating and value engineering. With the award of a \$7.2 million federal

Buses and Bus Facilities Grant in February 2026 and \$750,000 in

Congressionally Directed Spending from Senator Peters and Slotkin, the project is now fully funded,

In April 2026, TheRide issued a Request For Proposal for a construction manager for the YTC. The construction manager will work with the architects and engineers towards a guaranteed maximum price for the project. Construction is expected to begin in 2027. Status: Ongoing



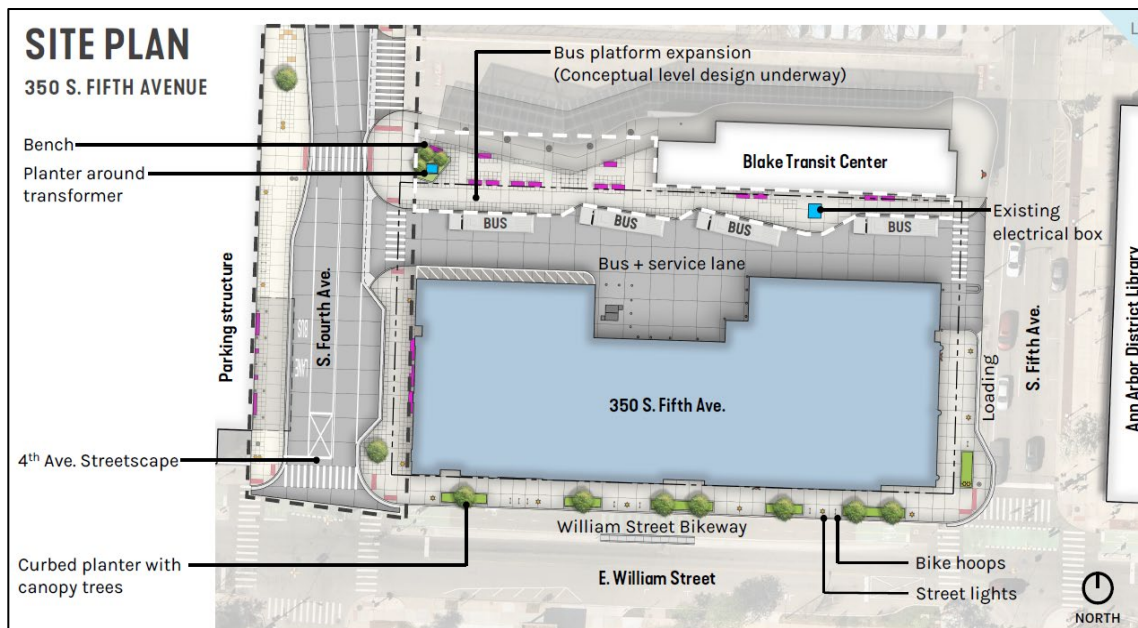
## 13. Blake Transit Center Construction

Capital. 2022-2028. Goals: 1.0, 1.2, 1.5, 2.5.2, 2.10.

Staff continue to work with local partners on their projects to redevelop the YMCA lot adjacent to the BTC (Ann Arbor Housing Commission & Related Midwest) and Fourth Avenue (DDA & City of Ann Arbor). Construction on Fourth Avenue began in May 2026 and will last until late 2026 or early 2027. This project will widen sidewalks, install new shelters for our customers along Fourth Avenue, and make many other pedestrian and transit enhancements to this block. The roadwork precludes buses from accessing the BTC and Fourth Avenue, so all operations served by the BTC have been relocated to Fifth Avenue and Washington Street (2 blocks away from the BTC). It was a herculean effort to stand up a temporary transit center for at least seven months, which impacted nearly every facet of the agency. To help our customers and drivers, a new customer ticket counter at 314 E Washington St, as well as a driver's lounge on Fifth Avenue were implemented as part of the relocation.

Work on NEPA clearance for the expanded platform on the south side of the Blake Transit Center began in earnest in early 2026. Detailed design on the platform will commence in the summer of 2026. Site plan approvals for the BTC will be pursued as part of the design process, which may conclude in 2026 or 2027. Funding support from the Downtown Development Authority as well as a grant garnered by the City of Ann Arbor through the Michigan Talent Partnership Program have resulted in minimal cost share for TheRide.

Status: Fourth Avenue construction underway. BTC NEPA work underway with detailed design to begin shortly.



#### 14. Bus Garage Planning Studies

Capital. 2025-2029. Goals: 1.0, 2.4.2, 2.4.3,

Before TheRide can increase the frequency of bus service, it will need to increase its garage capacity to house and maintain a larger bus fleet. Planning work will clarify the needs and requirements, identify and evaluate suitable locations, develop conceptual designs, and gain appropriate federal environmental approval (NEPA). The new garage is anticipated to increase fleet capacity by 100 buses. It will also be critical in supporting high-capacity buses (articulated buses) and the transition to zero-emissions vehicles with respect to different charging/refueling and maintenance requirements. As of May 2026, the study has completed an assessment of existing conditions, developed a space needs program based on future demands, and started work on site selection through robust data analysis. Status: Ongoing.

## 15. Bus Rapid Transit Planning Studies (Initial)

Capital: 2026-2031 (Wash Ave E), 2032-2040 (North-South), 2036-2041 (Wash Ave W).

Goals: 1.0-1.5, 2.4

Bus rapid transit (BRT) is the centerpiece of the long-range plan and spine of the future transit network. Two BRT lines will span the service area. The Washtenaw BRT will run between downtown Ypsilanti and Maple/Jackson in Ann Arbor, spanning the service area from east to west and is expected to be completed by 2031 (Phase I). The north-south BRT will run in Ann Arbor between Plymouth/US-23 and Eisenhower/State, spanning the service area from north to south and is expected to be completed in FY 2040 and the BRT from BTC to Maple/Jackson is expected to be completed in FY 2042. This timeline may change depending on partnership opportunities with MDOT and the local municipalities.

TheRide partnered with MDOT on a federal discretionary BUILD grant to incorporate bus lanes into the US-23 and Washtenaw interchange in February 2026. Additionally, TheRide provided input to MDOT on a planned resurfacing project along Washtenaw between South University and Stadium. The result of this input, with the support of staff from the City of Ann Arbor, is that alternatives are being considered which may include dedicated bus lanes through portions of the project. Public engagement was solicited on the project, including the options with dedicated bus lanes, in April/May 2026. The preferred scenario will be revealed in late summer 2026 and the project is expected to go to construction in 2027. Status: TheRide continues to monitor opportunities for funding and/or partnership to improve transit operations along the Washtenaw/Huron/Jackson corridor.

## 16. Transit Hubs and Priority Infrastructure Development

Capital. 2027-2030, 2032-2035, 2037-2040. Goal: 1.0, 1.1, 1.2, 1.3, 2.10.

Four transit hubs will be developed outside of the downtown cores to facilitate better connectivity between peripheral areas that have high demand, are projected to have significant growth in demand, and are located at logical connection points between numerous routes. The four hubs are located as follow:

- State & Eisenhower area (2027-2030)
- Jackson & Maple area (2032-2035)
- Carpenter & Ellsworth area (2032-2035)
- Nixon & Plymouth area (2037-2040)

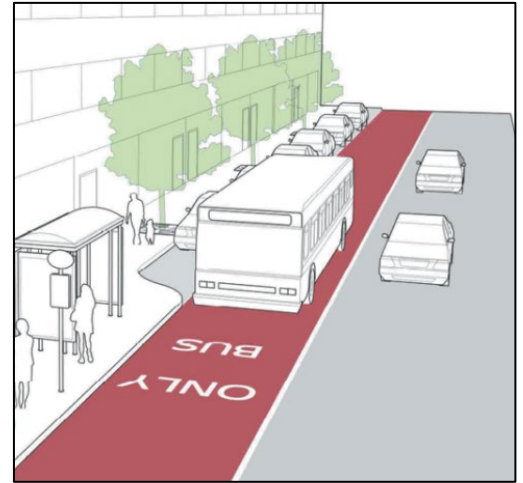
Status: Expected to start in 2027.

## B. Service Enhancements

### 17. Bus Lane & Transit Priority Master Plan Update

Operating. 2024-2039 Goals: 1.0, 1.1, 1.4, 2.10

In partnership with the University of Michigan and others, TheRide is exploring the potential to create a unified proposal for bus lanes in the City of Ann Arbor. Fully dedicated bus lanes will require the collaboration of the municipal, County and State partners in changing the streetscape. Ann Arbor's first bus lane, on State Street, opened in November 2025. This facility will be extended to North University between State Street and Fletcher Avenue. TheRide will continue working with stakeholders to add more bus lanes / queue jump lanes at other choke points prior to the full implementation of the high-frequency network in 2039. Status: ongoing.



### 18. Regional Park and Ride Planning

Capital. 2025-2028. Goals: 1.0-1.5

In early 2025, TheRide partnered with the UM, City of Ann Arbor, and DDA on a study to plan the distant park n ride lots outside of the Ann Arbor freeway ring. The work continues into 2026 and is expected to conclude in summer 2026. We hope to finalize a general plan, identify lot locations, bus staging areas, services plans, costs, pilot projects, and create a shovel-ready proposal. Although this has the potential to improve labor mobility, equity, and environmental impacts at a large scale, it is challenging because it covers geographies well beyond TheRide taxing jurisdiction. A key goal is to arrive at a cost-sharing arrangement with outside partners offset operating costs (TheRide will not use local property tax dollars to fund services for outside residents). If successful and depending on details, pilot services could start in 2027/2028. Status: ongoing.

### 19. Assist with County Needs Assessment

Operating: 2025-2027. Goals: 1.0, 1.,5

In recent years grassroots groups and nonprofits in parts of Washtenaw County outside of TheRide's service area have begun raising the unmet need for transit services in these rural areas. This includes travel within those areas and to/from TheRide's area. Although TheRide has no jurisdiction in these areas, when approached with requests for advice and assistance, we endeavored to be good neighbors and provided some suggestions about how these rural interests might proceed. Those outside groups are now attempting to gather support to conduct a preliminary Needs Assessment. TheRide will continue to advise these outside groups as their work proceeds. Status: Partners are submitting grant application.

## 20. Express Bus Pilot on North-South Corridor

Operating. 2027-2029. Goal: 1.0-1.5

An express route from the Eisenhower/State area to the Plymouth Road Park and Ride lot is expected to be introduced in FY 2028 with the intent of building momentum for the north-south BRT. Status: Planning begins FY2027.

## 21. Priority Transit Routes

Operating. 2027-2029., 2031-2033. Goal: 1.0-1.5.

Priority routes are intended to provide higher-frequency service to high-demand areas and facilitate faster trips for longer passenger trips not well covered by the planned BRT routes. The priority routes will have service frequencies ranging from 15 to 20 minutes during peak periods and will be enhanced by transit-priority features (e.g., queue jumpers, signal priority, etc.) Planning for the Main /Plymouth and Packard-Ellsworth Priority routes is expected to begin in FY 2026. The service is expected to begin in FY 2029. Planning for Packard-Eisenhower Priority route is expected to begin in FY 2031. Status: Planning begins 2027.

## 22. Off-Peak Service Enhancements

Operating. 2027-2029. Goal: 1.0-1.5.

To make transit a desirable transportation option, TheRide intends to provide more reliable and attractive services during the entire service period (i.e., all services during the day and night, weekday and weekends will have a reasonable level of service). Status: Planning begins FY2027, and implementation is scheduled to begin in 2029.

## 23. On-Demand Coverage Enhancements

Operating. 2027-2029 Goal: 1.0-1.5.

TheRide will increase On-Demand Service resources with the aim of expanding coverage and reducing wait times. Status: Planning begins FY2027.

### C. Influence Demand for Transit

The focus here is to attract more people to the services that already exist, and not to incur new operational costs to fill the seats we already have.

#### 24. Youth Ridership Opportunities

Operating. 2027-2028. Goal: 1.0, 1.1, 1.2

In this internal review, staff will explore the potential to develop a youth-pass program and promote TheRide's fixed-route services. This may be a constructive way to increase ridership during off-peak periods (i.e., outside weekday rush hours) while minimizing costs and also increasing access to opportunities for youth and families throughout the area and even increasing the labor pool for local employers. This assessment will inform future decisions. Status: Begin 2027.



#### 25. Transit-Oriented Development Guidelines

Operating: 2028. Goal: 1.0, 2.0, 2.1

Land development concepts like smart growth or transit-oriented development are examples of transit-supportive policies that some municipalities in our area are considering. However, given competing priorities, the pro-transit elements of these ideas can sometimes be under-emphasized or compromised. There is an opportunity to proactively develop guidance for municipalities about how land development concepts are best used to support transit. We will explore developing tools to encourage the best aspects of transit-supportive land development. Status: Begins 2028.

### 3.3 Continuous Improvement

Internal improvement projects directly improve the agency's capacity to efficiently provide a service of excellence.

#### A. Team and Staff Development

TheRide is an agency and an institution but is also a team. The staff are key to identifying and implementing opportunities for the future. We will continue to invest in our staff through various training opportunities, work to engage and inspire staff, and improve cross- department collaboration.

#### 26. Staff Needs Review

Operating: 2026+. Goal: 2.0, 2.2.1.

Continue to invest in staff development through on-site, virtual and remote training opportunities. This includes leadership, supervisory, change management, and team building opportunities, conferences, skill-specific training, and personal development plans. Status: Initiated.

## 27. Supporting Governance Excellence

Operating: 2025+. Goal: 2.9.

TheRide's Board of Directors sets direction and provides fiduciary oversight for the organization and CEO. The Board has its own Annual Plan of Work which is separate from this Business Plan. Staff do have a role in supporting the Board. This year we are itemizing staff-time for supporting Board activities such as updating Ends Policy interpretation, Ownership Linkage, and providing education on local funding, millage discussions, and AI. We also will continue to facilitate board training opportunities. Status: Ongoing.

### B. Internal Effectiveness Reviews

TheRide staff are always reviewing internal processes and procedures to find improvements or efficiencies. Such reviews typically inform later operational changes, decisions, or budget recommendations. Each year a few key subjects receive more formal attention.

## 28. IT Technology Upgrades

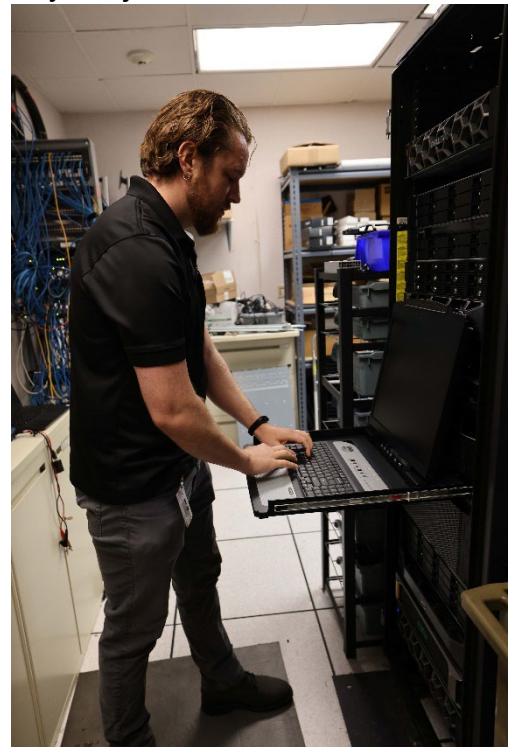
Operating:2025+ Goals:1.0-1.5, 2.5.6, 2.7

The agency has developed a multi-year plan for IT hardware and software replacements and upgrades needed to maintain and improve agency efficiency. New technologies and other improvements are incorporated into the multi-year plan as part of an annual review process with the Technology Advisory Committee (TAC) and are prioritized based on alignment with the Board's Ends and available resources and funding. Active projects in the next three years include replacement of passenger information systems and farebox replacement. Status: Ongoing.

## 29. POSA Agreement Review

Operating. 2026-2027: Goals: 1.0., 2.5

The agency has provided services to jurisdictions outside our taxing area for many decades via Purchase of Service Agreements (POSA) contracts with the municipal governments. Similar to contracted services, these POSAs allow nearby communities to pay for a lower level of transit service and not use the AAATA taxing powers. At present, the agency has POSAs with Pittsfield Twp, Superior Twp, and Scio Twp. Staff will review all of these contracts in context with each other and assess how these should continue. Status: Began in 2026.



### 30. Football Service Review

Operating. 2027-2028 Goals: 1.0., 2.1

Increased urgency due to the emergence of music concerts at UM stadium and requests to expand shuttle services. Financial implications are not clear. An internal review of the agency's participation in helping crowds arrive at and leave Michigan Stadium for UM football games or other events. This will be done to confirm regulatory compliance, economic impacts, fairness, and ridership generation potential. Status: Begins 2027.

### C. Sustainability Planning

As part of our strategic goals, TheRide is working to reduce and eventually eliminate emissions from its operations.



### 31. Step 1: Reduce Fleet Emissions (Hybrid Purchase)

Capital. 2026-2030. Goals: 1.4, 2.11., 2.5.7

Our greatest source of emissions is from our bus fleet, so this is where we have focused initial efforts. In 2023-2024 a plan focused on hydrogen and hybrids was adopted and \$25 million was secured. The project was paused in FY2026 due to funding. As funding became available, hybrids have emerged as a bridging strategy, a reliable interim technology to be used until a viable path to buses that produce no emissions is clear.

Status: Ongoing

### 32. Step 2: Reduce Facility Emissions

Capital 2027. Goals: 1.4, 2.11., 2.5.7

The Facility emissions study is to be completed in 2026. Based on expert recommendations, TheRide will develop targets and timelines to reduce facility environmental impacts. Status: Finalizing Study

### 33. Step 3: Study Options for Support Fleet and A-Ride

Operating. 2027. Goal: 1.4, 2.11, 2.4.

This work will study the potential to eliminate emissions from all non-large bus vehicles owned or used by TheRide. This includes staff cars and vans, work trucks, ARide buses, and contracted buses (e.g., FlexRide). It will focus on the potential for hybrids as a bridging technology, and whether battery electric and hydrogen options are better long term. These studies will inform us of the next steps. Status: Begins 2027.

34. Step 4: Study Options to Reduce Consumption (Procurement Process Review)

Operating: 2028. Goal: 1.4, 2.91.5.F, 2.5.2.,2.11,

This project will work to integrate environmental and carbon neutrality goals into the overall procurement process. Status: Begins 2028.

35. Step 5: Study Options to Reduce Waste (Disposal Process Review)





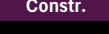
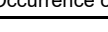
Operating 2029. Goal: 1.4, 2.11.3

The agency will conduct a review of the waste disposal processes in order to identify opportunities for waste reduction. This will primarily cover mechanical fluids and hazardous waste.. Status: Begins 2029.

Table 3: Project & Initiatives Table

		Projects	Applicable Policies	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43	FY44	FY45	
Excellence in Service Delivery & Customer Retention	A. Operational Excellence	1. Daily Service Delivery	1.0-1.5																					
		2. Maintain State of Good Repair	1.0, 2.2.1, 2.4.3, 2.7.3																					
		3. Fare Strategy Update	1.0-1.5, 2.1.4, 2.4.1																					
		4. Bus Service Review	1.0, 1.1, 1.3, 1.4, 2.1																					
		5. Bus Stop Improvements	1.3, 1.4, 2.1																					
		6. FTA Compliance Reviews (Title VI and Triennial review)	1.0-1.5, 2.5																					
		7. Passenger Information Systems Replacement Plan	1.0-1.5, 2.1.2																					
		8. Transit Signal Priority	1.0-1.5																					
	B. Financial & Administration Excellence	9. Exploring Efficiencies	1.0, 2.0, 2.4, 2.7																					
		10. Federal Surface Transportation Reauthorization	1.0, 2.0, 2.4, 2.5.2, 2.7																					
		11. Long Range Plan Review & Millage Preparation	1.0-1.5, 2.4, 2.9.1, 3.2.9.																					
Attract New Riders & Increase Ridership	A. Long-Term Infrastructure for Ridership Growth	12. Ypsilanti Transit Center Construction	1.2, 1.3, 1.5, 2.5.2, 2.10	P&D	Constr.																			
		13. Blake Transit Center Construction	1.0, 1.2, 1.5, 2.5.2, 2.10	P&D	Constr.																			
		14. Bus Garage Planning Studies	1.0, 2.4.2, 2.4.3, 2.10		P&D		Constr.																	
		15. Bus Rapid Transit Planning Studies (initial)	1.0-1.5, 2.4		Washtenaw East		Constr.				North-South													
		#15. Continued	1.0-1.5, 2.4																					
		16. Transit Hubs and Priority Infrastructure Development	1.0,1.1, 1.2, 1.3, 2.10			P&D		Constr.			P&D		Constr.				P&D		Constr.					
	B. Service Enhancements	17. Bus Lane & Transit Priority Master Plan Update	1.0, 1.1,1.4, 2.10																					
		18. Regional Park and Ride Pilot	1.0-1.5																					
		19. Assist with County Needs Assessment	1.0, 1.5																					
		20. Express Bus Pilot on North-South Corridor	1.0-1.5																					
		21. Priority Transit Routes	1.0-1.5																					
22. Off-Peak Service Enhancements		1.0-1.5																						
23. On-Demand Coverage Enhancements		1.0-1.5																						
C. Influence Transit Demand	24. Youth Ridership Opportunities	1.0, 1.1, 1.2																						
	25. Transit-Oriented Development Guidelines	1.0,2.0,2.1																						
Continuous Improvement	A. Team & Staff Development	26. Staffing Needs Review	2.0, 2.2																					
		27. Supporting Governance Excellence	2.9																					
	B. Internal Effectiveness & Efficiency	28. IT Technology upgrades	1.0-1.5, 2.5.6, 2.7																					
		29. POSA Agreement Review	1.0, 2.5.7																					
		30. Football Service Review	1.0, 2.1																					
	C. Sustainability Planning	31. Step 1: Reduce Emissions from Bus Fleet	1.4, 2.11, 2.5.7																					
		32. Step 2: Reduce Facility Emissions	1.4, 2.10,2.11,2.4																					
		33. Step 3: Study Options for Support Fleet and A-Ride	1.4, 2.11, 2.4																					
		34. Step 4: Study Options to Reduce Consumption (Procurement Process Re	1.4, 2.9.1F, 2.5.2, 2.11																					
		35. Step 5: Study Options to Reduce Waste (Disposal Process Review)	1.4, 2.11.3																					
Other Major Events	1. RTA Millage Opportunity																							
	2. AAATA Millage																							
	3. Presidential Election																							

Note: LRP projects are subject to timeline updates

Legend:		Non-LRP Project Timeline
		LRP Project Timeline
		P&D Planning & Design (LRP project)
		Implementation(LRP project)
		Constr. Construction (LRP project)
		Occurrence of Major Events

## 4. Next Steps

The Business Plan is the first part of an annual process of **aligning** expenditures to best achieve the Board's goals. The Business Plan allows staff, the public and the Board of Directors to review and discuss the largest component of the upcoming budget in a transparent and conceptual way. Once the CEO feels they have received the advice and feedback they need, staff begin to prepare the detailed recommended budget confident that most major questions have been asked, answered, and accommodated. Hopefully, this will allow the later discussion and approval of the budget to become a routine confirmation of decisions that have already been discussed.

The Business Plan allows staff, the public and the Board of Directors to review and discuss the strategic direction of the upcoming budget in a transparent conceptual way. (without all the financial details)

The Board through policy has outlined its expectations of the budget and strategic planning process which includes:

1. The CEO and staff present a recommended budget. The Board deliberates and approves the final budget (policy 3.2.7).
2. Policy Governance delegates almost all operational decisions to the professional staff intentionally so that the Board can focus its attention on the Outcomes. (policy 4.0)
3. The Board gives instruction with one voice via written policy when describing (in advance) how a budget should be prepared, most of which are described in policy 2.4: Financial Planning and Budgeting. Key expectations from the Board include:
  - a) All budget items must be focused on advancing the Ends or complying with other policies.
  - b) Staff cannot recommend a budget that risks fiscal jeopardy, causes deficit spending, or funds ongoing operations via debt or unclear means. (Policy 2.4., 2.5)
  - c) The staff's recommended budget must include: a strategic multi-year context, projections of revenues and expenses, separation of operation and capital expenses, clear long-term funding needs, and clear assumptions.
  - d) Staff present a high-level budget to help focus on the key strategic decisions. Since Means are already delegated to the CEO (policy 4.3.3), a line-item budget is not presented. *Please let us know if granular details are required.*
  - e) Several other Executive Limitation policies affect the structure and content of the budget, for example by requiring staff be kept safe (2.2), construction projects be

clearly defined (2.10), financial activities be correct (2.5), assets maintained (2.7.3), public input (2.7.5.5), and that risks be addressed prudently (2.0) and clearly (2.9.1.5).

When the recommended budget is presented for approval (September) the Board also receives a Monitoring Report for policy 2.4: Financial Planning and Budgeting. Acceptance of the monitoring report suggests compliance with the Board's expectations, after which the Budget is generally approved. However, the Board does have the ability, by vote, to change any element of the recommended budget. The Business Planning process is an attempt to learn of any significant concerns with the emerging budget so that changes can be incorporated early on.

Budget planning will take place in June through August. During this period, a draft budget will be developed, and discussions will be held at staff and Board level to improve it. The final budget will be ready for Board approval at the last Board meeting of the current fiscal year, which is in September.

TheRide staff generally present a high-level budget to focus discussion on major decisions and strategy. We do not generally present line-item budgets, especially since Means are already delegated to the CEO and staff (policy 4.3.3). If Board members or the public have questions about granular expenditures or specific operational decisions, we hope they will be raised early in the process so they can be addressed early.

## **Performance Monitoring**

To assess the effectiveness of initiatives in the Corporate Business Plan and their alignment to the needs of our communities through set Board policies, TheRide uses a two-tier method of monitoring progress and operational performance:

**Monitoring Reports** – The Board requires that the CEO report on compliance with every Policy. Monitoring Reports provide detailed interpretations of Board policies and evidence of compliance. These reports are provided at least annually and more frequently at the Board's request.

**Operational Reports** – The CEO and staff provide a variety of detailed reports on specific aspects of TheRide's internal workings.



Quarterly financial reports provide information on the financial health of the authority. Quarterly service reports provide specific performance measures on operations.

Monthly CEO updates provide information on specific projects at the public Board meetings. These updates most often include status updates of the projects identified in this Business Plan. All of these reports and status updates are available on TheRide.org website.

## **5. Feedback & Input**

The CEO encourages and welcomes feedback on the Business Plan to help further focus agency efforts, and to expedite the upcoming annual budgeting process.

Feedback on any of the initiatives in this document, can be sent to [tellus@theride.org](mailto:tellus@theride.org).

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## 6. Appendices

These appendices provide more information about staff's process for identifying and proposing initiatives and projects that are best suited to advancing the Board's goals and also addresses any questions that may have come up during the Corporate Business Planning process.

### Appendix A: Strategic Planning Process

#### 1. Board's Vision/Goals (Ends Policies)

Below are the new Board Ends policies adopted in January 2026.

TABLE 4: ENDS POLICIES

These policies define the purpose of the Ann Arbor Area Transportation Authority, what results are to be achieved, for whom, and at what cost. Although sections and subsections are numbered, the numbering is not intended to indicate the importance or weight of the underlying section, unless otherwise stated.

- 1.0 TheRide exists to advance a robust transportation system in the service area that demonstrates value and efficient stewardship of resources.
- 1.1. TheRide's service area has an integrated, multi-modal transportation ecosystem that favors active, shared, micro-mobility, and regionally connected transportation.
- 1.2. An increasing proportion of residents, workers, and students in the service area use TheRide's services to access their intended destinations.
  - 1.2.1. People are highly satisfied with TheRide's transportation services.
- 1.3. People experience no barriers to access and use of TheRide's transportation services.
  - 1.3.1. People with economic challenges have affordable transportation options from TheRide.
  - 1.3.2. People with disabilities, people with impairments, older adults, minors and non-English speakers, and visitors easily access and navigate to desired destinations using TheRide's options for transportation.
  - 1.3.3. People perceive TheRide's services as safe, reliable, and convenient.
- 1.4. TheRide positively impacts the environment and carbon emissions are reduced.
- 1.5. Residents of the area recognize the positive contributions of public transportation to the area's quality of life.

In addition to advancing the Board's goals, the CEO and staff must comply with the Board expectations regarding administrative and operational decisions (i.e., Executive Limitations policies). These policies ensure transparency, reporting, and fiduciary oversight by the Board. Examples of key Executive Limitations policies include:

- Ensure passengers and customers are well treated.
- Ensure staff are well treated and that TheRide is an attractive employer.
- Ensure that the Board, riders, and the public have opportunities to shape the future direction of the agency.
- Ensure transparency and accountability.
- Maintain the financial health of the organization. Do not risk fiscal jeopardy.
- Maintain assets of the organization in good condition.
- Compliance with all applicable laws. (Numerous other local, state, and federal laws also enable and constrain what TheRide can do.)

Within these expectations, staff are to use their professional judgment to recommend the best ways to achieve the Board's strategic goals.

### **Strategic Alignment Tools**

Strategic planning has three main pieces: an envisioned future state, a sound understanding of the current situation, and a plan for how to get from the current state to the desired future state. The Long-Range Plan has done extensive work to define these three states. Let us look at each piece separately.

- **Envisioning a Future State:** TheRide's future state is defined in the Board's End policies, feedback from the Communities we serve and staff insight. Having consensus on a clear, defined future state gives TheRide a target toward which it can align its efforts, judge options, and measure progress. The full Ends Policies are provided below.
- **Understanding Current Status:** A shared understanding of the current situation and context allows TheRide to take steady aim at the targeted future. The current state of the organization is organized into strengths, weaknesses, opportunities and threats/challenges and that information is detailed in the SWOT analysis table on the next page.
- **Filling in the gap:** A gap analysis identifies opportunities and gaps between the current state and the desired future. It informs on the key drivers for change and the order of prioritizing agency initiatives.
- **Action Plan:** Based on that insight, a strategic action plan is developed to bridge the gap between the current and the desired state. The work done during the Long-Range Planning process has been instrumental in addressing major gaps.

## Appendix B: Evaluating Potential Initiatives: Key Criteria

The Board's policies outline desired outcomes/goals and operational expectations. It is up to the CEO and staff to recommend initiatives, projects, and expenditures that will make progress in achieving the goals identified by the Board. Staff seek public and stakeholder input, as well as advice from the Board, as they develop these recommendations. To be effective stewards of resources, TheRide evaluates initiatives by considering questions such as:



1. **Goal Alignment:** Does the initiative help to advance the Board's desired outcomes (e.g., ridership growth; social, environmental, economic sustainability; customer satisfaction, etc.)? Is it in line with our values and business principles? Does it mesh with what we do, for whom and at what cost? Are we proactively advancing our own goals, or just reacting to outside demands/agenda? Is the idea more appropriate for another organization?
2. **Impacts & Benefits:** What benefit does the proposal create and for whom? Has success been clearly defined, or will it be hard to determine?
3. **Viability:** Is the proposal likely to reach its stated goals? Can it economically reach the scale our agency would need? How much effort will be required to produce results? How have similar ideas fared in the past?
4. **Cost-Effectiveness & Tradeoffs:** Are realistic assessments of lifecycle costs available? Is the benefit potentially worth the investment of limited resources? How important is this compared with our other needs? Can we afford it? Would approval create additional future precedents or costs?
5. **Risks:** Have risks such as financial, safety, liability, organization capacity, etc. been clearly and realistically identified? What risks does the initiative pose now or in the future? Are the risks acceptable? Could it create problematic precedents? Could it over-extend our limited resources? Are there any risks being over or undervalued to influence the decision? Conversely, what is the risk of not pursuing?
6. **Alternatives:** Are there other ways of achieving similar results with lower costs or risks? If options are too limited, can the assumptions be revisited to change the parameters?
7. **Capacity:** Does TheRide have the expertise or resources to pursue the initiative now or in the future? Are we over-extending our staff or financial resources?
8. **Sequence and Readiness:** How ready is the initiative to proceed? Do other steps logically need to come first? Is there a risk of proceeding too soon? What are the impacts of deferral?

## Appendix C: FY 2026 Performance

With the FY2026 Corporate Business Plan and Budget now in full operation, we reached the mid-year milestone with substantial momentum. Our performance over the first six months yielded significant progress as shown below.

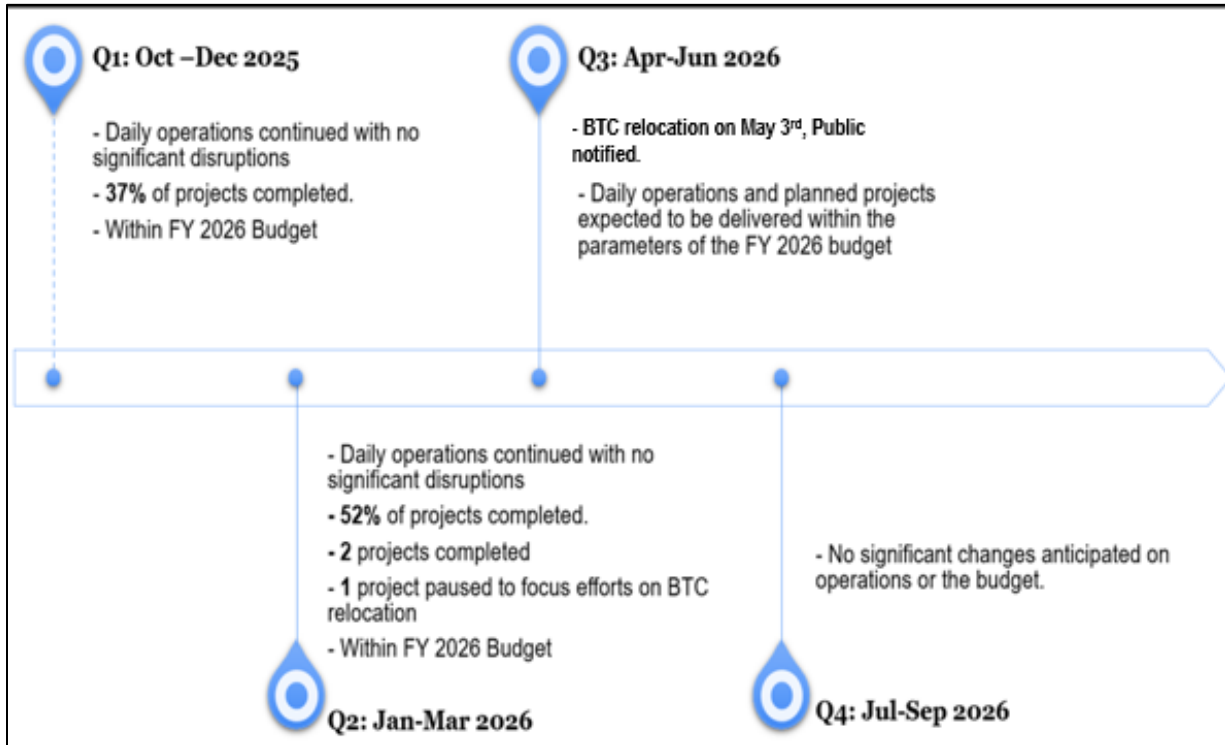


TABLE 5: FY 2026 PERFORMANCE UPDATE

**Q1 October-December 2025:** We achieved a strong start in Q1 by completing **37%** of scheduled projects and maintaining services all within the adopted budget.

**Q2 January- March 2026:** Q2 required a strategic shift as key staff bandwidth was concentrated on BTC relocation planning and labor negotiations. Even so, we maintained a steady momentum and by the mid-year mark, we successfully completed **52%** of the projects and finalized 2 projects (Bus Maintenance Program Review and funding applications for the BTC and the YTC). All work was within the adopted budget.

**Q3 & Q4: April-Sep 2026:** Service levels are expected to remain stable for the duration of FY2026. We are proactively managing the impact of the 4th Avenue construction project and anticipate closing the year within budget.

## Appendix D: Ridership History

### History

Transit ridership peaked in the U.S. during World War II and then declined rapidly as cars, freeways, urban decline, and suburban sprawl became common. National trends began to level off in the early 21<sup>st</sup> century as cities began to regain population. However, the overall American preference for cars and the individual mobility they provided had become deeply rooted.

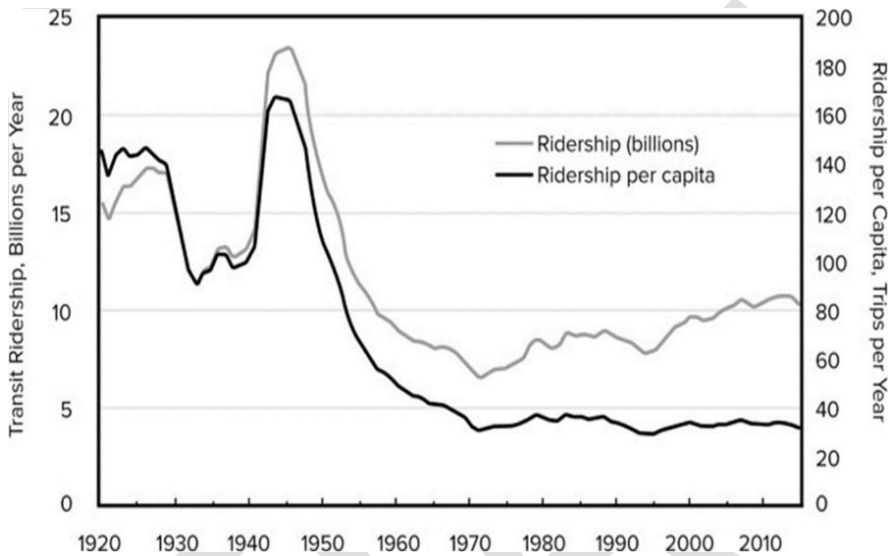


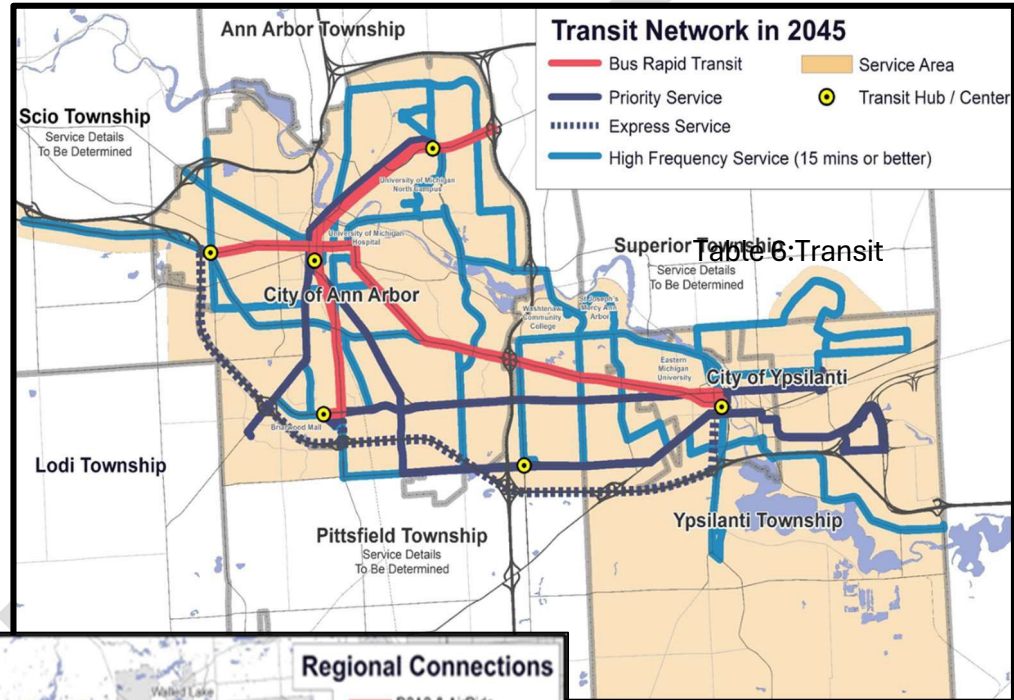
FIGURE 2: US NATIONAL TRANSIT RIDERSHIP

Subsidies for cars are deeply entrenched (e.g., free parking, low gas taxes, road construction policies, etc.) and have already reshaped American cities. Meanwhile, funding and public support for transit is relatively modest and far from enough to approach, for example, European levels of transit service.

To grow ridership TheRide has engaged staff, members of the public, the Board and transit users to better understand community needs and design TheRide with these needs in mind.

TheRide2045 or the Long-Range Plan is the result of these conversations and is the Board approved blueprint of how services will be improved, and infrastructure expanded to achieve Board goals. The graphics below indicate what can be expected of TheRide by 2045.

FIGURE 3: TRANSIT NETWORK



Network 2045

