



# CITY COUNCIL STAFF REPORT



June 17, 2025

## ITEM TITLE

Agreement Amendment: Third Amendment with Circuit Transit Inc. for the Chula Vista Community Shuttle Program

**Report Number:** 25-0145

**Location:** No specific geographic location

**Department:** Housing and Homeless Services

**G.C. § 84308 Regulations Apply:** Yes

**Environmental Notice:** The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required. Notwithstanding the foregoing, the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines.

## Recommended Action

Adopt a resolution authorizing the City Manager to enter into Third Amendment No. 2025-250 to Original Agreement No. 2021-96 with Circuit Transit Inc. for the Chula Vista Community Shuttle to update the required services, term, and compensation for the fourth year of operations.

## SUMMARY

Since June 13, 2022, the Chula Vista Community Shuttle Pilot program (the “CV Community Shuttle”) has provided valuable on-demand transportation services in Northwest Chula Vista, completing over 75,000 rides and serving more than 83,000 passengers. The program is supported through two primary funding sources: the Clean Mobility Options (CMO) Voucher Pilot Program and the Community Congregational Development Corporation (“CCDC”). In accordance with CMO funding requirements, the CV Community Shuttle must continue operations for a fourth year. This action will approve a Third Amendment to the Agreement with the City’s current operator, Circuit Transit Inc. (“Circuit”).

## ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change to the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Notwithstanding the foregoing, it has also been determined that the activity qualifies for an Exemption

pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no further environmental review is required.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

## **DISCUSSION**

### *Background and Funding*

To support Chula Vista's efforts of reducing greenhouse gas emissions and meeting public transportation needs for all ages, the City of Chula Vista (City), applied for the CMO grant in October of 2020. In June 2021, the City was awarded \$997,833 through the CMO program to launch the CV Community Shuttle Pilot program to provide clean transportation to seniors in northwest Chula Vista, within a targeted service area deemed eligible through CMO using four sedans and one Americans with Disabilities Act (ADA) accessible van. In addition, the City received a grant award of \$1,000,000 as supplemental funding from CCDC to expand the original project service area and add an additional sedan to the service. On [October 12, 2021](#), the City Council accepted both grant awards, which fund the first three years of operations. On [June 11, 2024](#) the City accepted \$502,167 in supplemental grant funding from the CMO program to enhance the program and add a new passenger van. On [March 18, 2025](#), the City Council accepted additional supplemental grant funding from CMO of \$300,000 to expand current services to the Southwest portion of Chula Vista extending services south along Third Avenue to Anita Street and west to the bayfront. In addition, City Council accepted \$100,000 from CCDC to fund year four of operations. The total funding awarded to date is \$2,900,000.

### *Operations*

The [CV Community Shuttle](#) operates between the hours of 7 a.m. and 7 p.m. Monday through Friday as an on-demand service using a fleet of dedicated all-electric vehicles (EV). (CV Community Shuttle is serviced by a total of 5 sedans and 2 passenger vans, one of which is ADA). Riders can request rides within a geo-fenced coverage zone through a mobile ride request app available on iOS and Android, by call in or text, or by waving down a vehicle. The initial goal of the CV Community Shuttle Pilot program was to improve mobility options for the senior community, provide connections to public transit and key community services, improve social determinants of health related to transportation accessibility, reduce greenhouse gas emissions, improve air quality, and reduce congestion. Caregivers, senior living community staff, and others can also make requests on behalf of riders. The service includes an ADA accessible vehicle for riders requiring ADA assistance, which can be indicated in the ride request app or when requesting by phone.

While the service remains free for users ages 55 and up, in April 2024 the service was opened to everyone under 55 for a fare of \$2 per ride. A revenue sharing model exists for all funds obtained through fares and advertising with the current operator to be applied to year four. As of May 2025, fare collection has been minimal, totaling \$4,795.50 and no advertising dollars have been acquired.

### *New Grant Opportunities*

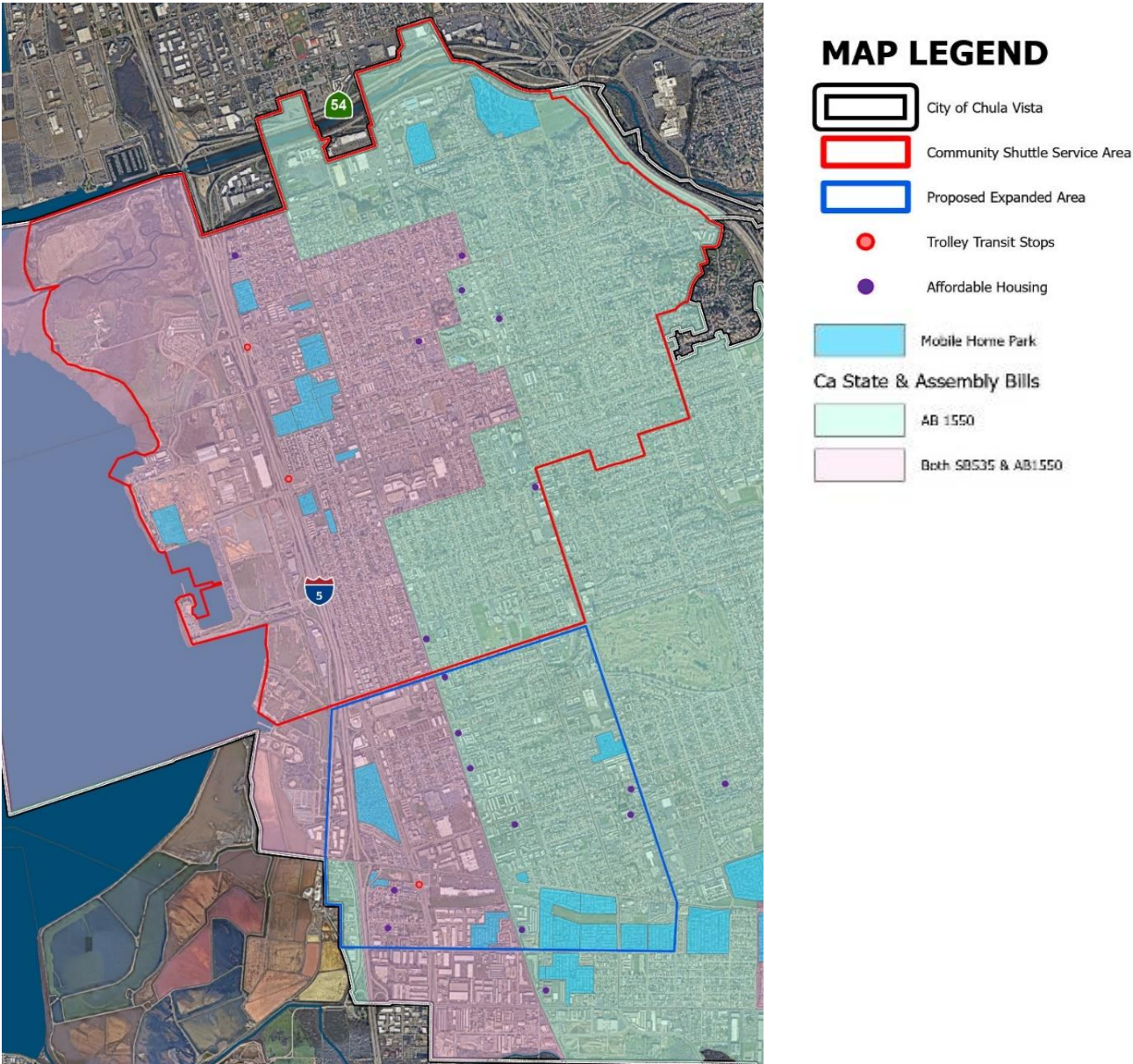
While the CV Community Shuttle was started as a pilot program, the City recognizes the value the program has provided to the community and has been working to identify additional funding opportunities through grants and community partnerships to sustain the CV Community Shuttle for future years. This includes application in November 2024 to the U.S. Environmental Protection Agency (EPA) Community Change Grant in partnership with CALSTART. If successful, the grant would provide a portion of operating income until approximately June 2028, funding for EV charging infrastructure, and planning funds to look at long-term regional models of sustainability. In March 2025 an application was submitted to the Community Clean

Energy Grant Program to assist in the expansion of the service area for operations during the fourth year of operations. Staff anticipates a response during summer 2025 from both grant applications. In addition, staff over the past six months have actively enhanced marketing efforts and partnership development.

*Year Four Expansion*

In Fall 2024, CMO announced the availability of up to \$300,000 in additional supplemental funds to further enhance services within eligible census tracts (including AB1550 and SB35 designated). Based on the City's current operations, the application for enhanced services and funds was made for year 4 operations and include an expansion of current services to the southwest portion of Chula Vista extending service south along Third Avenue to Anita Street and west to the bayfront, as outlined in blue in Figure 1.

**Figure 1 - Expanded Service Area for Year Four Operations (beginning July 2025)**



The expanded services would begin in July 2025 and will connect all three trolley stops and provide additional connectivity to regional amenities, retail, and services along both Third Avenue and Broadway, including the South Branch Library and major shopping centers. In addition, this expansion will serve nine



affordable housing complexes (one for seniors) and twelve mobile home parks (six for seniors), providing vital transit support for older adults and lower-income households.

#### *Conclusion*

This item authorizes the City Manager to negotiate and enter Third Amendment No. 2025-250 to the Original Agreement No. 2021-96, First Amendment No. 2024-128, and subsequent Second Amendment No. 2025-131. The Third Amendment updates the scope of required services, reiterates the current contract term, expands the service area, provides additional deliverables related to marketing for Circuit, and adjusts compensation based on operational costs and available funding sources for Year 4 of shuttle operations.

#### **DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.). Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

#### **CURRENT-YEAR FISCAL IMPACT**

The first three years of the CV Community Shuttle Pilot program were funded through CMO and CCDC grants. The fourth year of operations started on June 13, 2025, and is funded for approximately the first half of the year by CMO and CCDC funds (\$400,000), accepted by Council on March 18 via Resolution No. 2025-038. In addition, the program began charging \$2 per trip for riders under the age of 55 in April of 2024 and as of the end of April 2025 has generated \$4,795.50 in fares, sixty percent (60%) of which will be credited to the City for year 4 operations. The new Third Amendment also addresses additional revenue sharing for advertising. The City is providing assistance to the CV Community Shuttle operator for appropriate storage of vehicles and charging facilities.

Over the next six months staff will be collaborating with regional partners and granting agencies to attain additional funding. Prior to December 30, staff will bring forward an appropriation for the remainder of needed operational funding (approximately \$440,000) with new funding sources or available funding in the Housing Authority budget.

#### **ONGOING FISCAL IMPACT**

Staff will continue to pursue other potential funding opportunities from the State to help with future funding of the shuttle program, however, should funding not be attained or other financial sustainability be determined, staff will determine the viability of continuing the Pilot.

#### **ATTACHMENTS**

None

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