



**Metropolitan Transportation Commission
Transit Sustainability Project**

California Transportation Commission
January 8, 2013



TRANSIT
SUSTAINABILITY
PROJECT

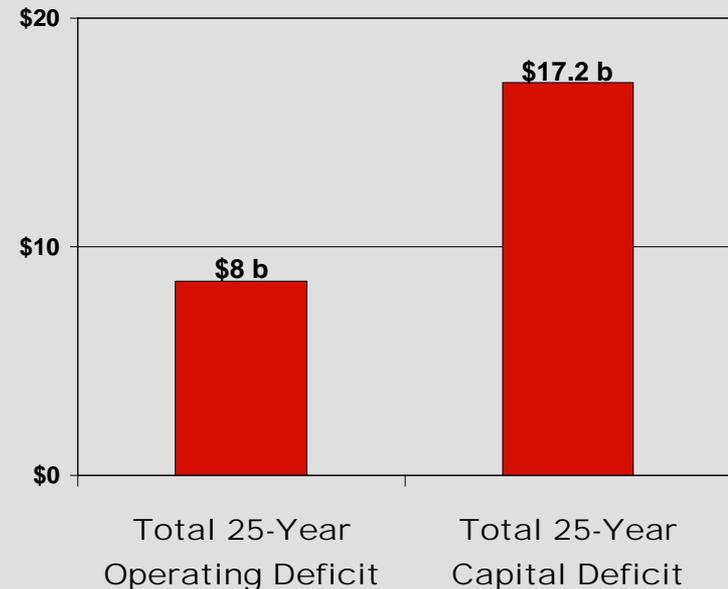
Project Context



Challenge for Bay Area Transit System

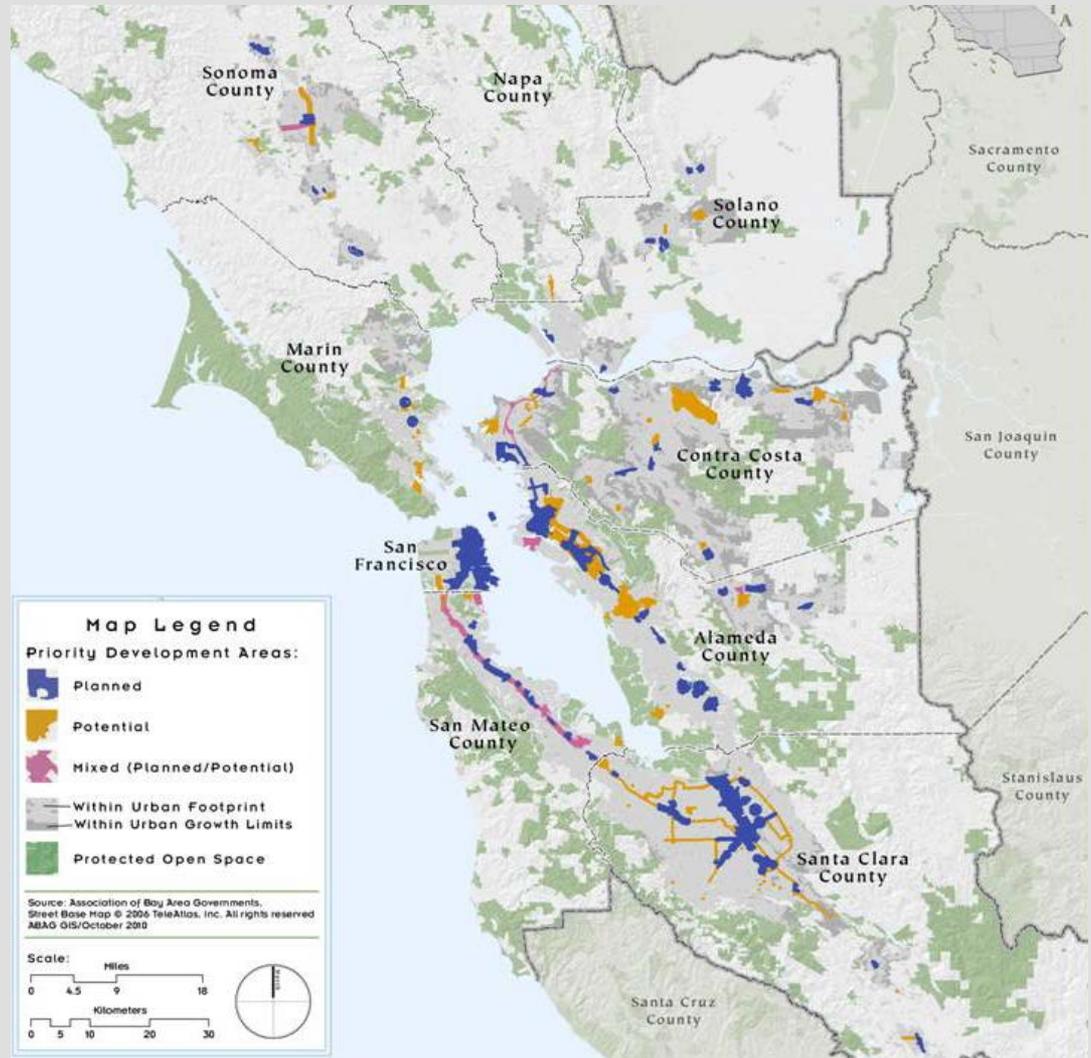


Projected Deficits Transportation 2035



Opportunity for Bay Area Transit System

- Bay Area seeks to focus growth around transit
- Plan Bay Area forecast growth in Priority Development Areas:
 - 74% new housing
 - 67% new jobs
- More intense development near high quality transit



What is Important for Transit's Success?

- **Improve financial position:** Contain costs, cover a greater percentage of operating and capital costs with a growing share of passenger fare revenues; secure reliable streams of public funding.
- **Improve service for the customer:** Strengthen the system so that it functions as an accessible, user-friendly and coordinated network for transit riders, regardless of mode, location or jurisdiction.
- **Attract new riders to the system:** Strengthen the system so that it can attract and accommodate new riders in an era of emission-reduction goals, and is supported through companion land use and pricing policies.

Challenges not unique to Bay Area

CTC - 2011 Statewide Transportation System Needs Assessment

Financial Challenge – *“Transit operators across California have been struggling to balance their budgets in recent years. Ongoing increases in operating costs, increasing capital reinvestment backlogs, and recession induced reductions in state, regional, and local funding all have challenged operator budgets. Operators have been forced to address these challenges by cutting service, increasing fares, laying off staff, and deferring capital projects to rehabilitate and replace infrastructure. These measures have degraded the quality of service for many Californians who depend on public transportation to get to work, go to school, visit the doctor, and overall mobility.”*

Demographics, Incomes and GHG Reduction Goals – *“Although costs are rising and revenues are declining, there is a growing demand to provide more transit service due to our aging population, lower median incomes, and California’s new greenhouse gas reduction goals in AB 32 and SB 375”*

Project Overview

■ Oversight/Leadership

- Select Committee of MTC Commissioners on Transit Sustainability
- Policy Steering Committee (21 members that provided executive-level input from transit agencies, labor, business, environmental and equity perspectives)
- Additional input provided by MTC Policy Advisory Committee as well as multiple public events and forums sponsored by interested parties

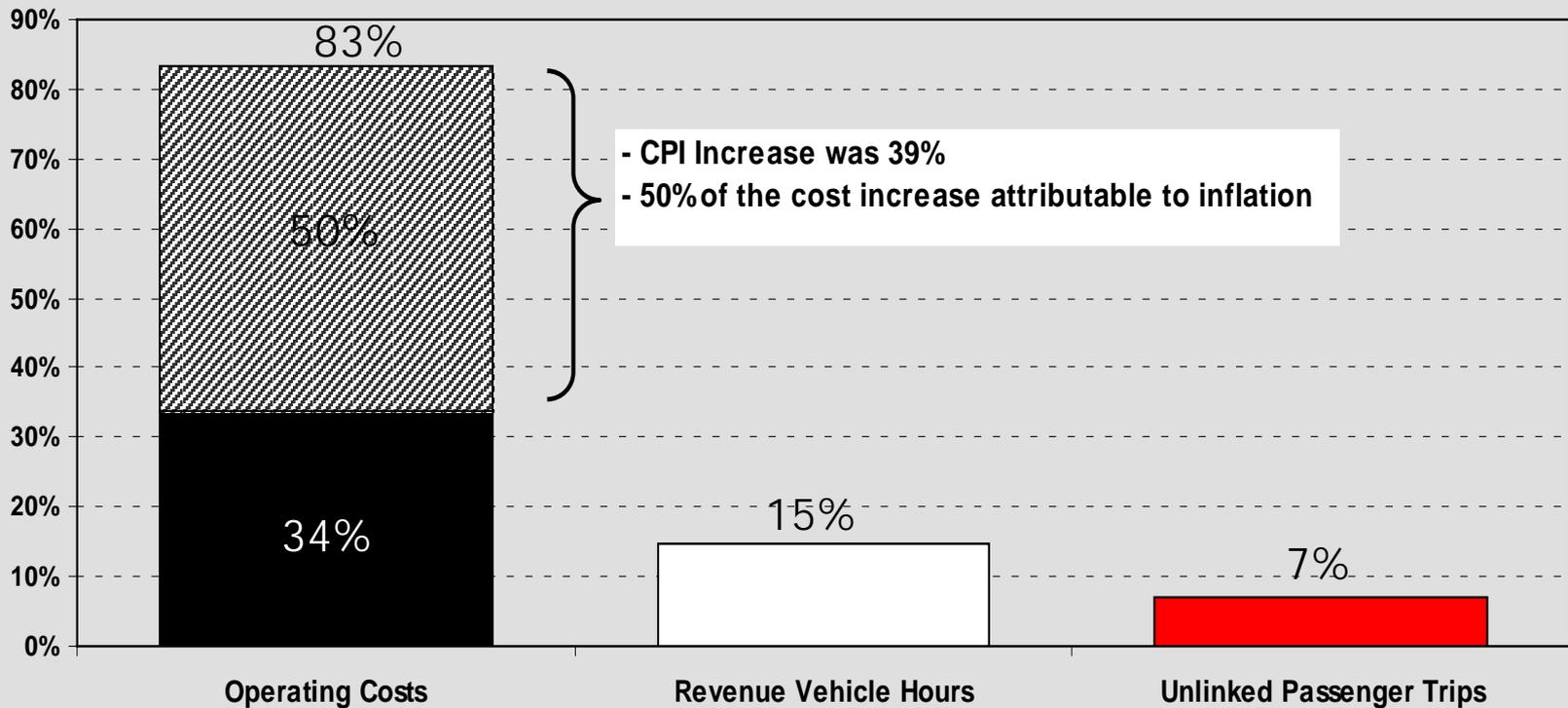
■ Approach

- Reform and revenue agenda
- 2+ year project effort led to findings in the following areas: Financial; Service; and Institutional

Recommendations

- 1) Performance Measures and Targets
- 2) Transit Performance Initiative
- 3) Service, Institutional, and Paratransit

1) Bay Area Large Operators: Percent Change in Cost and Performance Indicators (1997 – 2008)



Source: National Transit Database, "Big 7" only.
Excludes ferry, cable car and paratransit.

1) Performance Measures and Targets - Big 7 Operators

Reduce “real” operating cost per service hour, cost per passenger, or cost per passenger mile by 5% within **5** years

- Financial targets would be set compared to the highest cost per hour experienced by each agency between 2008 and 2011 to include savings from labor agreements since 2008
- Based on evaluation and possible savings in areas including:
 - Fringe Benefits
 - Work Rules and Business Model
 - Administrative Costs
- Cost per passenger or cost per passenger mile target could also be achieved by a combination of attracting more passengers and operating efficiencies
- Existing and new operating and capital funds administered by MTC may be linked to progress towards target

2) Transit Performance Initiative

Investment and incentive approach to achieve improved service performance

Investment

1. Regional investment in supportive infrastructure to achieve performance improvements in major transit corridors

Incentive

2. Reward agencies that achieve improvements in ridership and service productivity



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3) Service Recommendations

- Integrate bus/rail scheduling software to facilitate schedule coordination and customer travel planning. Establish a regional schedule change calendar.
- Conduct multi-agency Short Range Transit Plans (SRTPs) at the county or subregion-level to promote interagency service and capital planning.
- Support transit agency operations on major corridors by requiring local jurisdictions to consider transit in project development (per OneBayArea grant).
- Consider fare policies focused on the customer that improve regional/local connections.



3) Institutional Recommendations

- Complete service consolidations underway (Soltrans and ferry services).
- Apply lessons learned from existing consolidations to pursue benefits of functional and institutional consolidation among smaller operators, including coordinated service planning and fare policy setting.
- Integrate multiple transportation functions (transit operating, planning, sales tax, etc) to make more integrated transportation policy decisions.
- Expand regional capital project planning/design to include sharing existing expertise (e.g., BRT) and facilities (e.g., maintenance shops).
- Formalize joint procurement of services and equipment through the region's transit capital priorities process.

3) Paratransit Recommendations

Agency-Specific

- Consider Fixed-Route Travel Training and Promotion to Seniors
- Consider Charging Premium fares for trips that exceed ADA Requirements

Regional or Sub-area

- Consider Enhanced ADA Paratransit Certification Process
- Implement Conditional Eligibility
- Create one or more sub-regional Mobility Managers (e.g. CTSA)

Regional

- Improve Fixed-Route Transit
- Implement Plan Bay Area programs that improve access and mobility options



Transit Sustainability Project – Lessons Learned

1. Involve partners and stakeholders early and often
2. Focus on the Customer
3. Implementation of recommendations and achievement of targets will require a focused and collaborative partnership throughout region



Lessons from MTC's Transit Sustainability Project

Egon Terplan
Regional Planning
Director
SPUR



SPUR

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PLANNING + URBAN RESEARCH
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California Transportation
Commission
January 8, 2013

SPUR: 100 year old urban policy civic group.
Headquartered in SF; office in San Jose
5,000 individual members; 350 business members



SPUR does research and advocates to improve transit in the Bay Area

MUNI'S DOWNWARD SPIRAL

Muni can avoid a financial meltdown, but it has to get better, faster, and more productive



A SPUR REPORT

Adopted by the SPUR Board
May 18, 2005

Released
September 1, 2005

San Francisco Planning and Urban Research Association
www.spur.org

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MUNI'S BILLION DOLLAR PROBLEM

To become the transit system that San Francisco needs, Muni needs more revenue.



A SPUR REPORT

Adopted by the SPUR Board
January 18, 2006

Released
February 28, 2006

San Francisco Planning and Urban Research Association
www.spur.org

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A MID-LIFE CRISIS FOR REGIONAL RAIL

Fifty Years After BART: What's Next for Regional Rail?

SPUR REPORT

Adopted by the SPUR Board of Directors October 17, 2008
Released November 1, 2008

The primary author of this report was Jake Cummings, SPUR intern with assistance from Jeff Tamkin, Chi-Hsin Shao, Anne Haland, Peter Meney, Gillian Gillett, Hans Kerve, Stuart Cohen, Brian Stokke, Val Menotti, Brian Stokke, Dave Snyder, Gabriel Meeuf, and Egan Terplan

San Francisco Planning + Urban Research Association
634 Mission St., San Francisco, California 94105
www.spur.org



SAVING CALTRAIN — FOR THE LONG TERM: STRATEGIES FOR FUNDING AND GOVERNING A CRITICAL REGIONAL RAIL SYSTEM

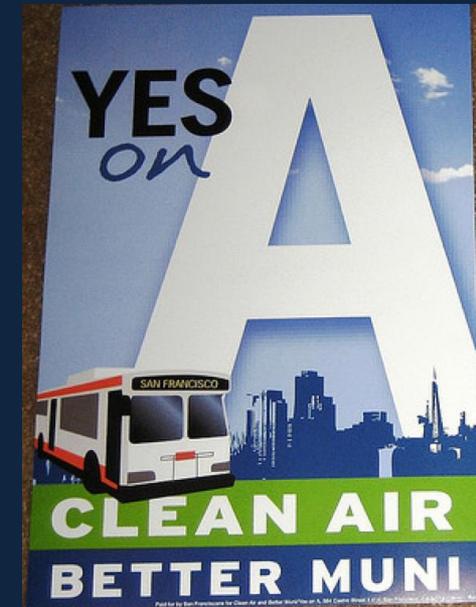
SPUR DISCUSSION PAPER

A discussion paper from the SPUR Transportation Policy Board
Released April 6, 2011

For more information contact
Egan Terplan
SPUR regional planning director
etplan@spur.org

Through research, education and advocacy, SPUR promotes good planning and good government in the San Francisco Bay Area.

www.spur.org

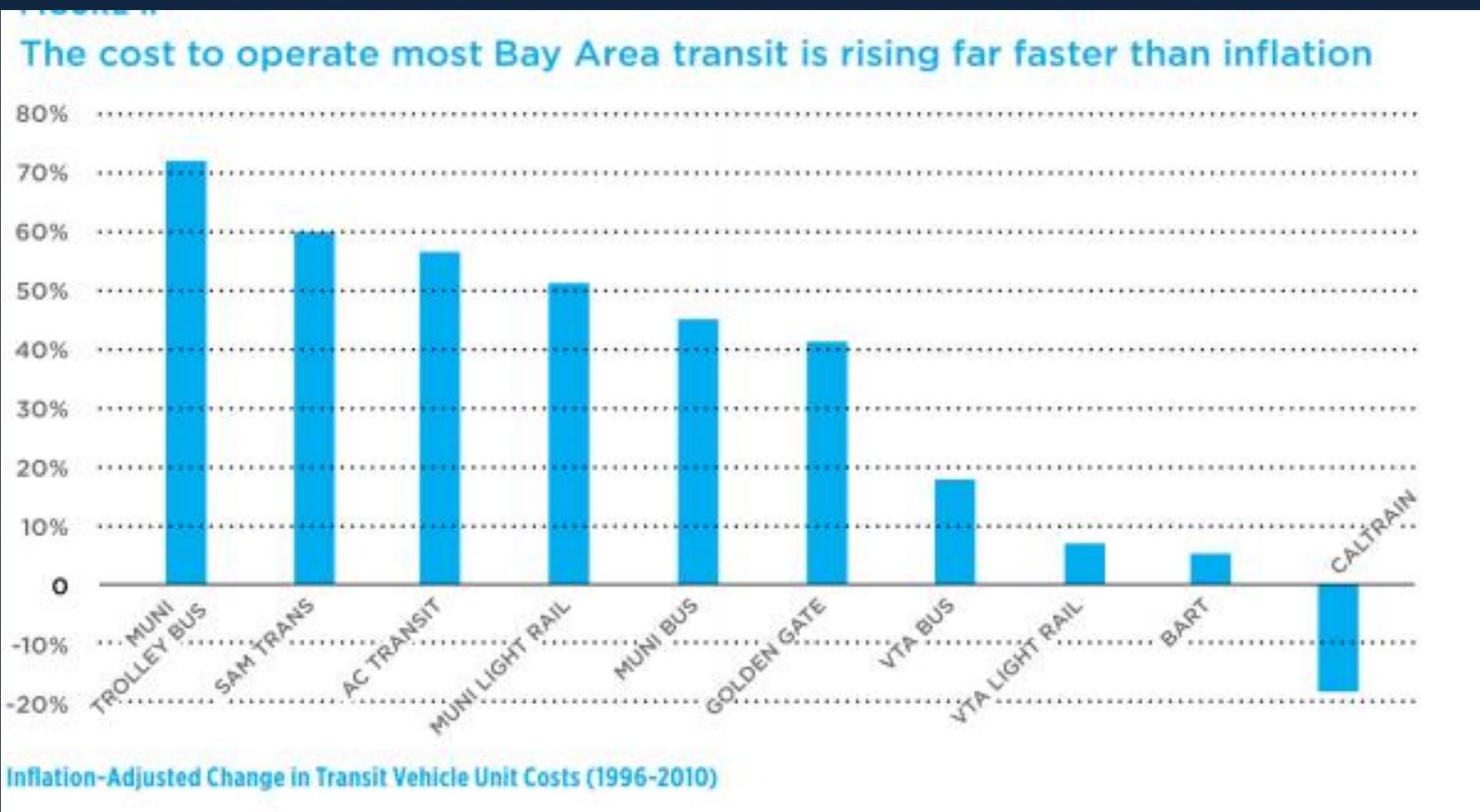


Key conclusions from the Transit Sustainability Project

1. The Bay Area's transit system is fragmented with 27 separate operators and no single regional transit service provider.

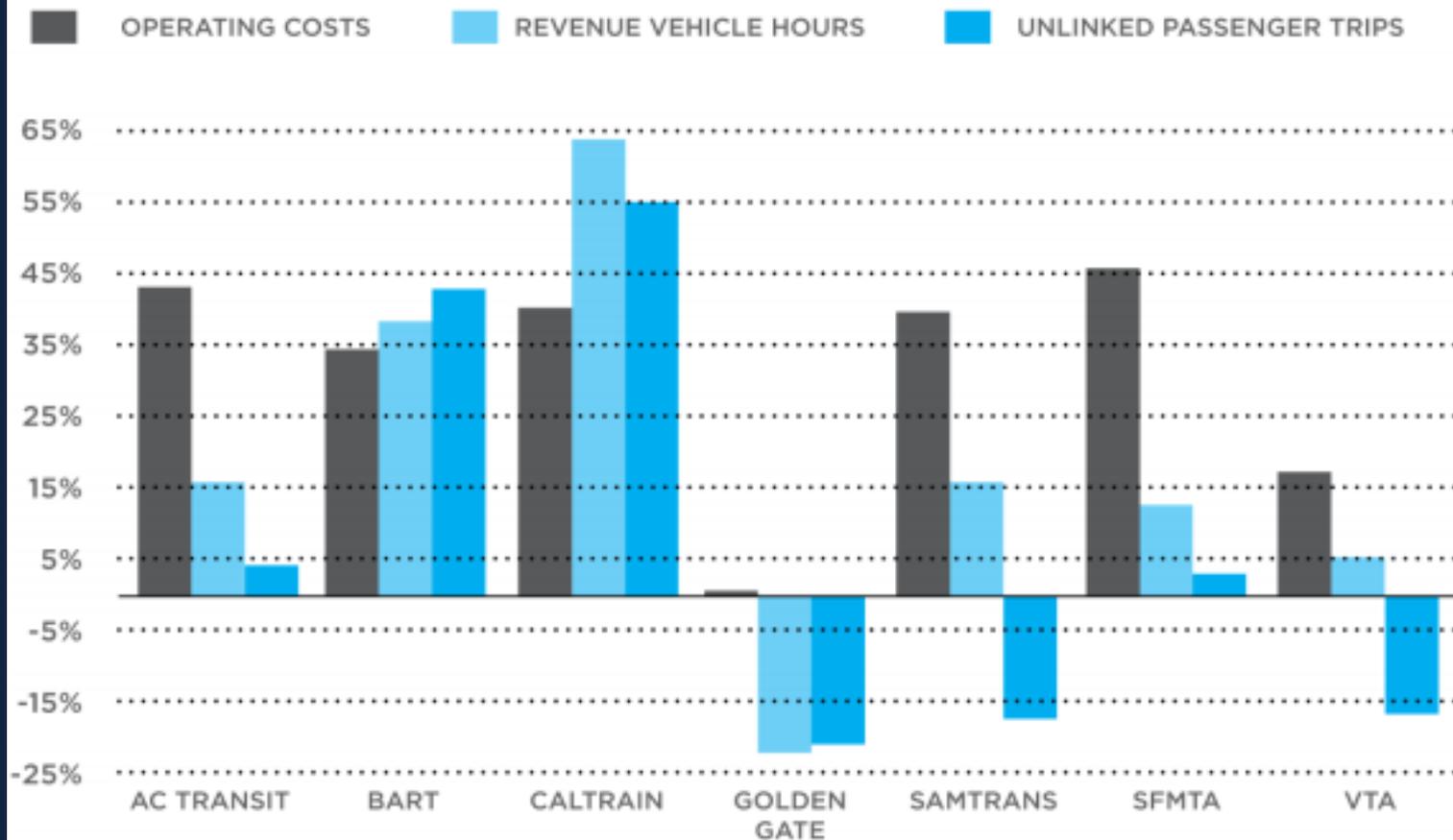
Region	Total Ridership (2008)	Total Number of Operators	Largest Operator Name	Transit market share of largest operator
Bay Area	484,000,000	27	SFMTA	43%
Philadelphia	358,000,000	5	SEPTA	95%
Washington, DC	476,000,000	12	WMATA	89%
Chicago	628,000,000	15	CTA	84%
New York City	4,077,000,000	37	MTA	82%
Los Angeles	640,000,000	20	LACTA	74%
Seattle	189,000,000	9	King County Metro	65%

2. Unit costs are rising faster than inflation.



3. Increases in productivity are not sufficient to match cost increases.

While costs are increasing, service levels and ridership are only growing faster than inflation for BART and Caltrain

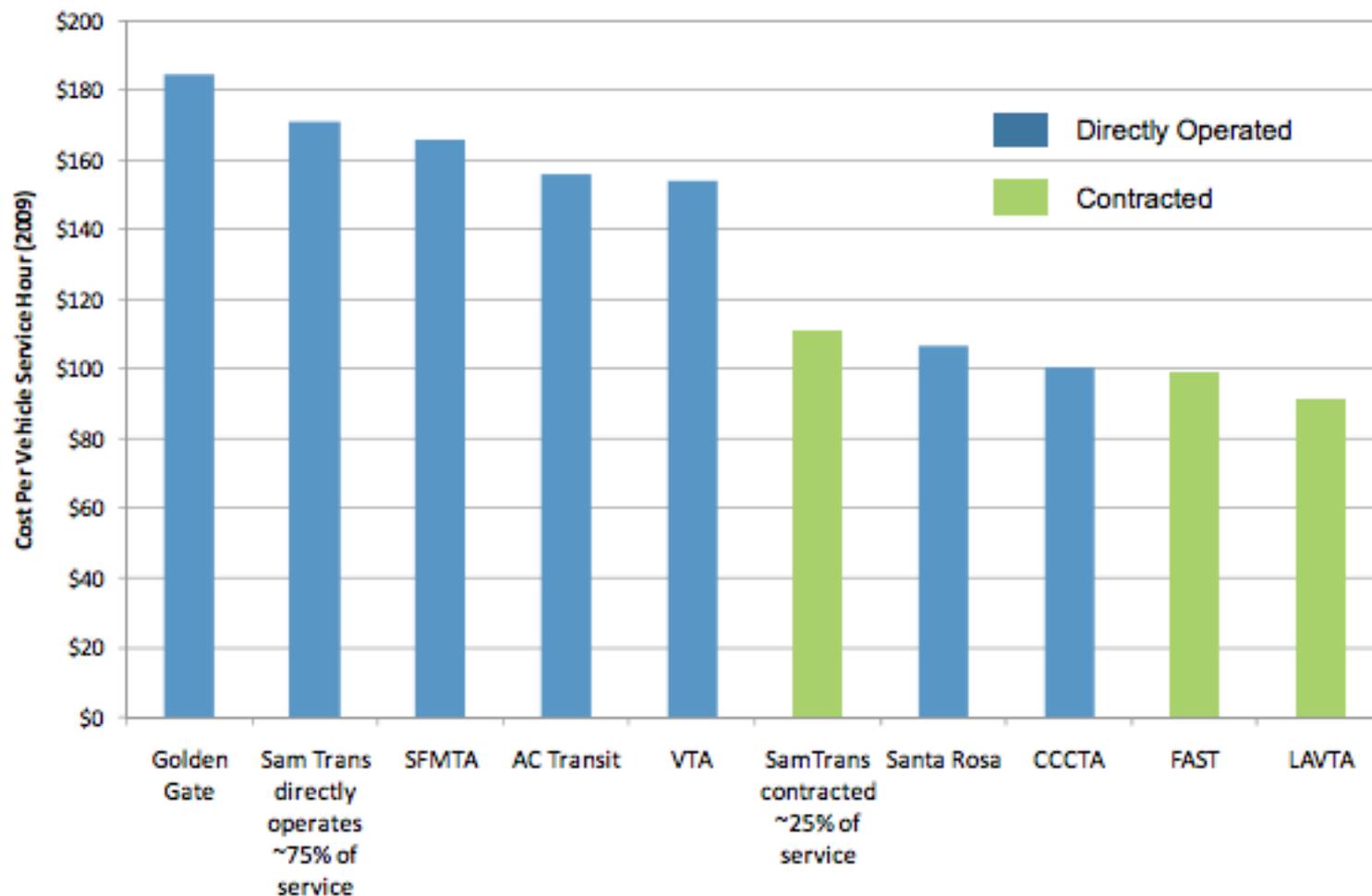


Inflation-adjusted Change in Operating Costs, Hours of Service and Trips (1997-2008)

Where the Transit Sustainability Project could have gone further

1. Identify a set of comparative transit performance metrics that are reported to the operator boards – perhaps by establishing an independent tenured officer.

Figure 5: Cost Per Vehicle Service Hour (Bus Only, 2009)



2. Consider form of receivership for the governing board of transit agency that continuously fails to improve on its performance metrics.



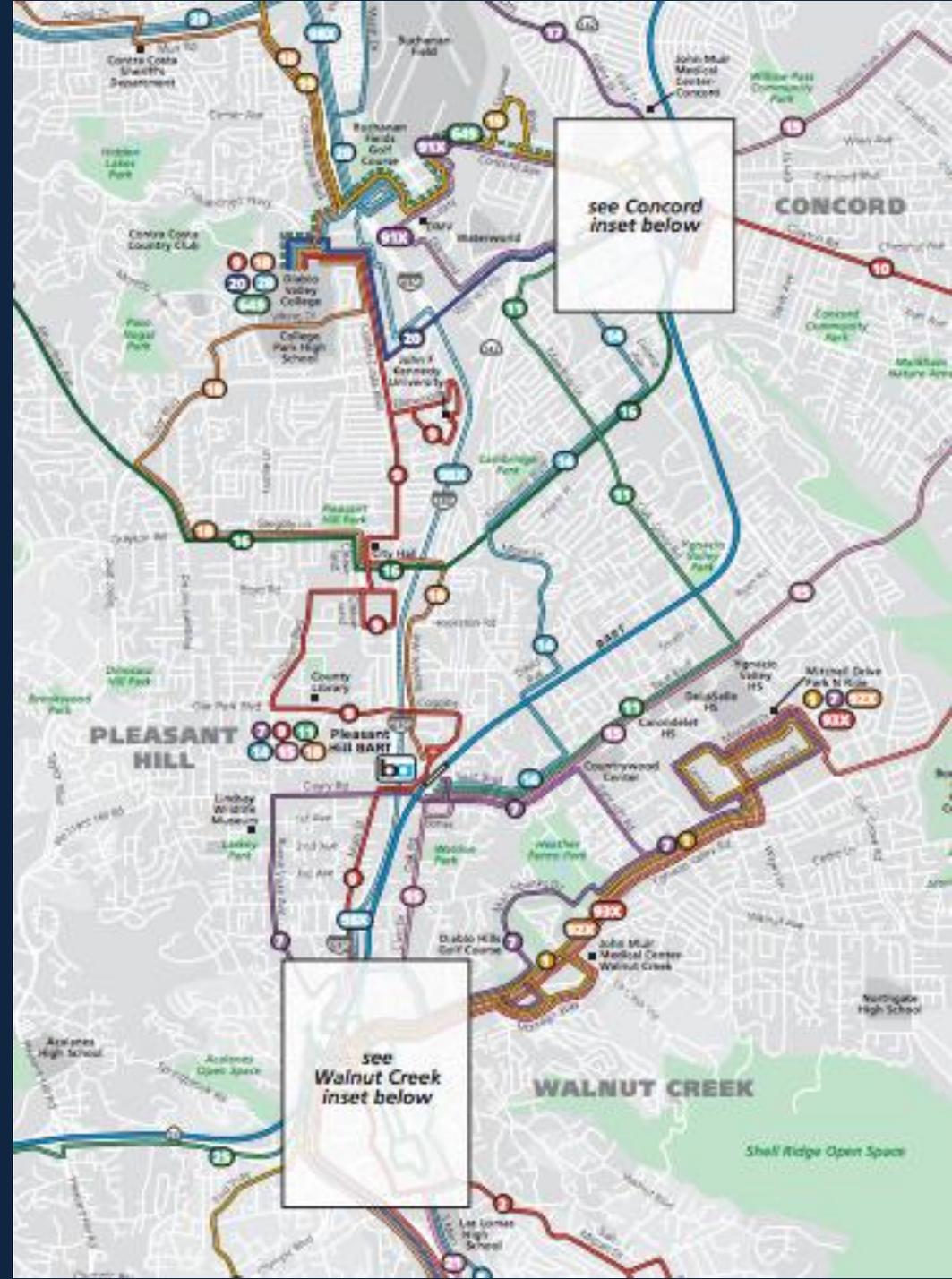
3. Shift regional funding towards a “bounty” per passenger for any new riders over a defined baseline.

Performance-based funding should help make transit more financially sustainable.



4. Establish a consistent regional fare policy.

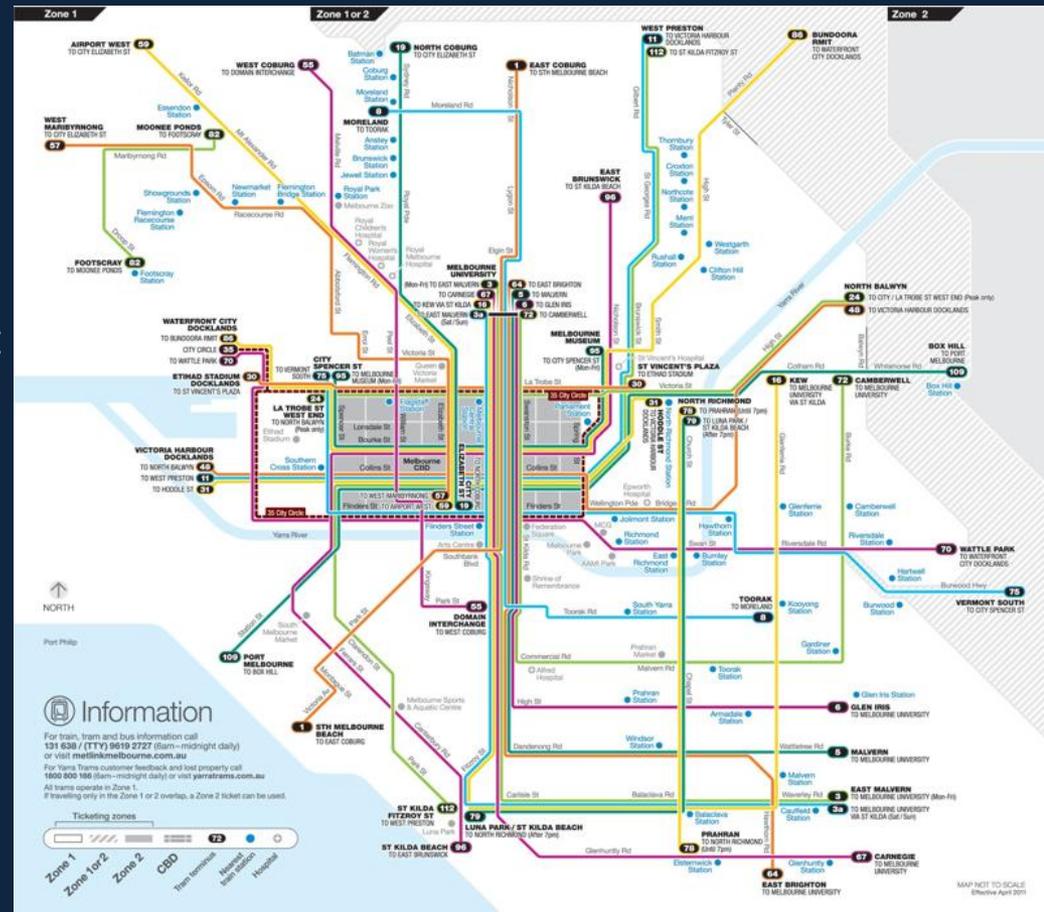
- Have regional operators share some of the fare with local systems so there is not a disincentive to transferring.
- Make more consistent: Zone vs distance based.



5. Consolidate more transit services – through both mergers and better coordination/marketing.

- merge more small operators
- create one regional map and subregional umbrella marketing
- establish appearance of single regional transit operator

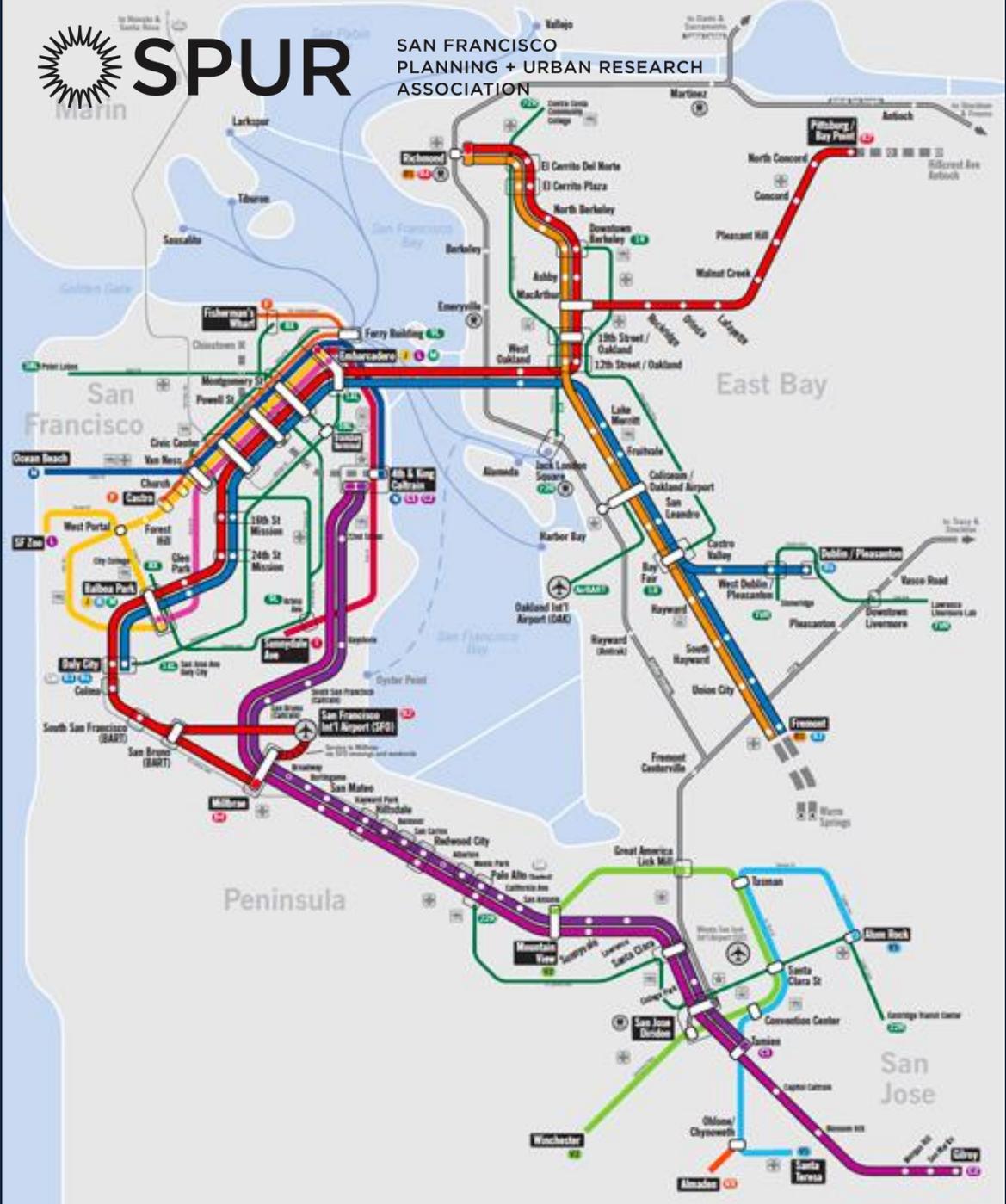
Examples: Metlink in Melbourne, GOTransit in Toronto, Sound Transit in Seattle





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Thank you