

# The Future of Public Transit: Which Problem Should we be Trying to Solve?

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InfraStrategies



# Problems Transit is Asked to Solve

- Traffic congestion





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- Traffic congestion
- Climate Change





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- Transportation safety



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- Traffic congestion
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- Transportation safety
- Social and racial inequity





# Problems Transit is Asked to Solve

- Traffic congestion
- Climate Change
- Transportation safety
- Social and racial inequity
- Homelessness

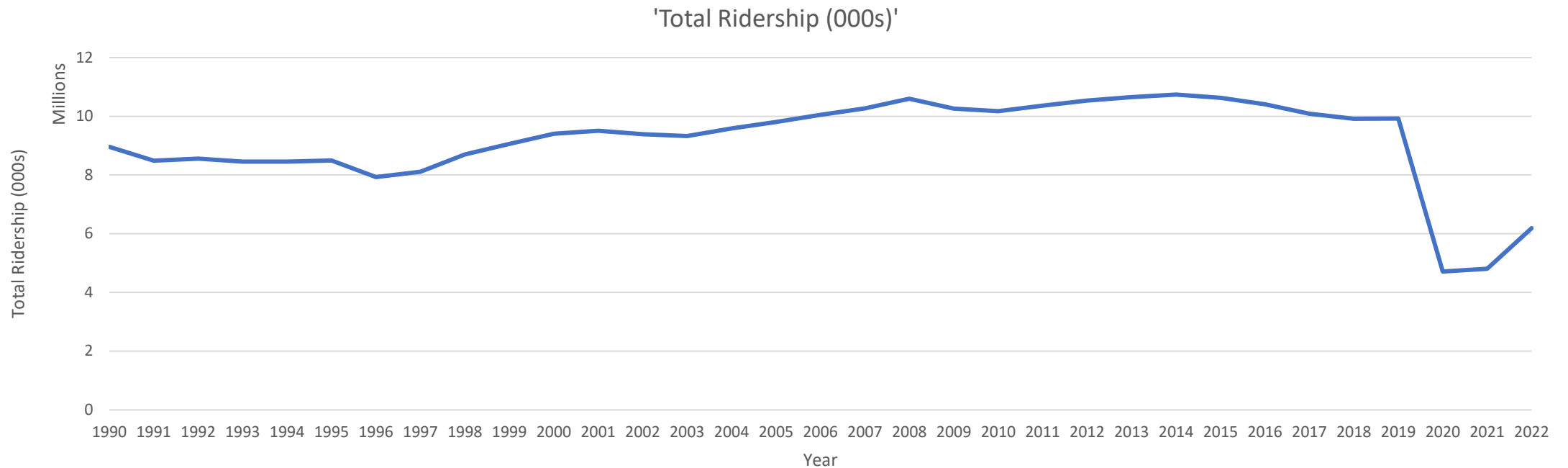


# Other Problems You Might Not Know Mass Transit is Asked to Solve

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- Transportation for the elderly and people with disabilities
- Small and minority business participation
- Providing new jobs
- Elected officials' poll numbers
- Fair contracting
- Fair hiring
- Weather-related transportation challenges
- Special event transportation
- Auto-oriented development

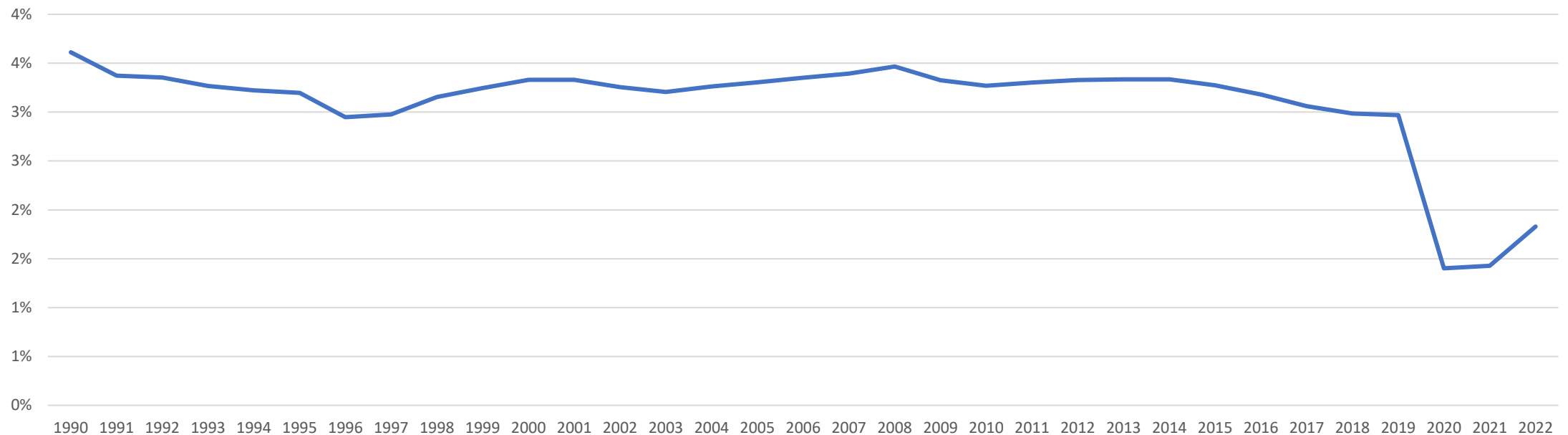
# How are we doing?





# How are we doing?

Per Capita Ridership



# Three Options for Transit

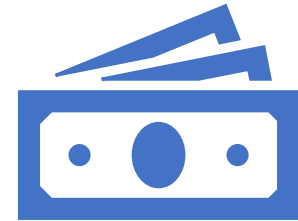
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Act Like A Business



Act Like A Public Service



Find A New Funding Model



# Transit as a Business



Fares charged at market rate

Peak and off-peak fares, distance-based etc...  
Avoids subsidizing those who do not need it



Other objectives funded as needed  
by other governmental entities

Agency operates as a contractor for social  
objectives  
Capital construction undertaken based on market  
needs



Focus on attracting customers

Ability to compete by improving the experience

# Transit as a Business

## Benefits

- Likely to increase ridership
- Improves fiscal health and certainty
- Shifts burdens away from the agency

## Drawbacks

- Challenging to execute
- Less likely to achieve social objectives



# Transit as a Public Service

Similar to libraries,  
fire departments,  
parks

- No fares to be charged
- Rules of conduct enforced

No expectation of  
financial self-  
sufficiency

- Public services cost money and this one is no different
- Consistent with function in most places in the U.S.

Focus on providing a  
good public service

- Moves away from unattainable ridership goals
- Consistent with the idea of Universal Basic Mobility

# Transit as a Public Service

## Benefits

- Likely to improve equity outcomes by removing fares
- Admits purpose in most places allowing a focus on that goal

## Drawbacks

- Forgoes traditional transit coalition
- Risks dwindling support



# Transit Based on Funding

## Current funding sources are unrelated to purpose

- Sales taxes are regressive and just easiest to pass
- Federal money is abstract and only slightly related to use

## Funding sources that are related help create accountability

- Abstraction makes it challenging to find the right metric
- People understand paying social security even though they do not benefit

## Focus on meeting the goal specified by the funding source

- Congestion pricing = reduce congestion
- Wealth tax = improve equity
- Fuel tax = reduce emissions

# Transit based on Funding

## Benefits

- Forces policymakers to determine the purpose along with the funding
- Funding mechanism itself offers benefits towards purpose

## Drawbacks

- Challenging to execute
- Requires re-alignment of interests

# Conclusions

- Transit trends of the last several decades have been accelerated by COVID
- Transit cannot continue down the same path and expect different results
- Transit leaders need to push for a clearer mission to be successful

